Supreme Court, U.S.
FILED
991287 JAN 3 1 2000

No. 99-

IN THE

Supreme Court of the United States

MITSUBISHI ELECTRIC CORPORATION,

Petitioner,

v.

AMPEX CORPORATION,

Respondent.

ON PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

PETITION FOR A WRIT OF CERTIORARI

LES J. WEINSTEIN
Counsel of Record
MARTIN J. TRUPIANO
VINCENT J. BELUSKO
GRAHAM & JAMES LLP
Attorneys for Petitioner
801 South Figueroa Street
14th Floor
Los Angeles, CA 90017
213-624-2500

157561

Counsel Press LLC
(800) 274-3321 • (800) 359-6859

COPY

QUESTIONS PRESENTED

1. Whether a jury's general verdict may be properly affirmed after appellate review of only one of multiple legal theories on which it may have rested, contrary to the long-established rule of *Sunkist Growers, Inc. v. Winckler & Smith Citrus Products Co.*, 370 U.S. 19, 29-30, 82 S. Ct. 1130, 1136, 8 L. Ed. 2d 305, 312 (1962), which holds that a general verdict may be affirmed only if each theory was free from error.

2. Whether a general verdict may be properly affirmed upon an appellate determination that a single claim or defense that the jury may have decided in the verdict loser's favor was supported by substantial evidence.

3. Whether a party, after unsuccessfully proposing a special verdict form, waives its Seventh Amendment right to trial by jury by not objecting to the use of a general verdict form where multiple theories are advanced in support of a claim or defense.

STATEMENT PURSUANT TO RULE 29.6

Mitsubishi Electric Corporation does not have a parent corporation, and there are no publicly-held corporations which own 10% or more of its stock.

TABLE OF CONTENTS

	Page
Questions Presented	i
Statement Pursuant to Rule 29.6	ii
Table of Contents	iii
Table of Cited Authorities	v
Table of Appendices	vii
Opinions Below	1
Statement of Jurisdiction	1
Constitutional Provisions Involved	1
Statement of the Case	2
Prior Proceedings	5
Reasons for Granting the Writ	7
A. The Federal Circuit's Decision That An Objection To The Form Of The Verdict Is Required to Preserve The Standard Of Review Mandated By *Sunkist* Is Contrary To The Long-Established Law Of This Court	7

Contents

Page

B. The Federal Circuit's Ruling That A Failure to Object to the General Verdict Form Constitutes a Waiver Impermissibly Impairs the Right to Trial by Jury 10

Conclusion 12

TABLE OF CITED AUTHORITIES

Page

Cases:

Atmel Corp. v. Information Storage Devices, Inc., 1999 U.S. App. LEXIS 34441 (Fed. Cir., Dec. 28, 1999) 5

Cardinal Chemical Co. v. Morton Int'l, Inc., 508 U.S. 83, 113 S. Ct. 1967, 124 L. Ed. 2d 1 (1993) 4

Dimick v. Schiedt, 293 U.S. 474, 55 S. Ct. 296, 79 L. Ed. 603 (1935) 11

Markman v. Westview Instruments, Inc., 52 F.3d 967 (Fed. Cir. 1995) (*en banc*), *aff'd*, 116 S. Ct. 1384 (1996) 9

Maryland v. Baldwin, 112 U.S. 490, 5 S. Ct. 278, 28 L. Ed. 822 (1884) 2, 3, 8

Minneapolis & St. Louis R.R. Co. v. Bombolis, 241 U.S. 211, 36 S. Ct. 595, 60 L. Ed. 961 (1916) 10

Robotic Vision Systems, Inc. v. View Engineering, Inc., 189 F.3d 1370 (Fed. Cir. 1999) 9

Royal Typewriter Co. v. Xerographic Supplies Corp., 719 F.2d 1092 (11th Cir. 1983) 8

Cited Authorities

Page

Sunkist Growers, Inc. v. Winckler & Smith Citrus Products Co., 370 U.S. 19, 82 S. Ct. 1130, 8 L. Ed. 2d 305 (1962) ..... i, 2, 3, 6, 7, 8, 9, 10, 12

United New York and New Jersey Sandy Hook Pilots Association v. Halecki, 358 U.S. 613, 79 S. Ct. 517, 3 L. Ed. 2d 541 (1959) 8

Warner-Jenkinson Co. v. Hilton-Davis Chemical Co., 520 U.S. 17, 117 S. Ct. 1040, 137 L. Ed. 2d 146 (1997) 4

Statutes:

28 U.S.C. § 1254 1

35 U.S.C. § 282 9

United States Constitution:

United States Constitution, amend. VII 1, 10, 12

United States Constitution, art. 1 § 8, cl. 8 1

Rules:

Fed. R. Civ. P. 46 6

Fed. R. Civ. P. 49 8

Other Authority:

9 Wright & Miller, *Federal Practice and Procedure: Civil*, § 2505 (1995) 8

TABLE OF APPENDICES

Page

Appendix A — Opinion Of The United States Court Of Appeals For The Federal Circuit Dated August 30, 1999 ..... 1a

Appendix B — Order Of The United States District Court For The Central District Of California Denying Plaintiff's Motion For Judgment As A Matter Of Law Or For A New Trial Dated And Filed June 30, 1997 ..... 30a

Appendix C — Special Verdict Form Of The United States District Court For The Central District Of California Dated And Filed March 26, 1997 ... 32a

Appendix D — Order Of The United States Court Of Appeals For The Federal Circuit Denying Petition For Rehearing Dated And Filed November 1, 1999 ..... 38a

Mitsubishi Electric Corporation ("Mitsubishi") respectfully petitions for a writ of certiorari to review the judgment of the United States Court of Appeals for the Federal Circuit in this case.

OPINIONS BELOW

The opinion of the court of appeals is reported at 190 F.3d 1300. There are no published district court opinions.

STATEMENT OF JURISDICTION

The Court of Appeals entered judgment on August 30, 1999. A timely Petition for Rehearing was served and filed on September 10, 1999, and was denied on November 1, 1999. The jurisdiction of this Court is invoked under 28 U.S.C. § 1254.

CONSTITUTIONAL PROVISIONS INVOLVED

United States Constitution, amend. VII:

> In Suits at common law, where the value in controversy shall exceed twenty dollars, the right of trial by jury shall be preserved, and no fact tried by a jury, shall be otherwise reexamined in any Court of the United States, than according to the rules of the common law.

United States Constitution, art. 1 § 8, cl. 8:

> To promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries.

STATEMENT OF THE CASE

Contrary to more than 100 years of precedent of this Court, the Federal Circuit's decision stands for the remarkable and erroneous proposition that by not formally objecting to a trial court's unreviewable, discretionary act of selecting the form of the verdict, a party waives its Seventh Amendment right to a trial by jury. Even more remarkable is that with no prior notice that such an objection was required, the Federal Circuit retroactively imposed this new requirement to invalidate a United States patent.

In *Sunkist Growers, Inc. v. Winckler & Smith Citrus Products Co.*, 370 U.S. 19, 29-30, 82 S. Ct. 1130, 1136, 8 L. Ed. 2d 305, 312 (1962), this Court reaffirmed the rule originally set forth in *Maryland v. Baldwin*, 112 U.S. 490, 493, 5 S. Ct. 278, 28 L. Ed. 822 (1884), that in reviewing a jury's general verdict based on multiple theories, the verdict cannot be upheld if any one theory was submitted to the jury in error. In contrast, the Federal Circuit's August 30, 1999 precedential Opinion holds that where the verdict loser "fails" to object to the trial court's use of a general verdict form — after that party's proposed special verdict form was rejected — a reviewing court may uphold the jury's verdict if but one of multiple theories is submitted to the jury free from error.

The Federal Circuit's decision is in conflict with three prior decisions of this Court. The "justification" provided in the Federal Circuit decision for departure from this clear precedent is a new requirement, never previously imposed by this or any other federal court, of the need for a formal objection to the use of a general verdict form. There is no suggestion in this Court's precedents that an objection to

the use of a general verdict form is a prerequisite to application of the *Sunkist* standard. Moreover, the Federal Circuit's opinion conflicts with a body of authority which uniformly holds that selection of the form of the verdict is a matter within the discretion of the trial court, the exercise of which has never been held to constitute error. However, the court of appeals then seized upon the lack of a formal objection to the verdict form to abdicate its appellate responsibility and repudiate this Court's decision in *Sunkist.* The Federal Circuit's decision upholds a general verdict if any *one* theory is supported by substantial evidence and radically departs from *Sunkist's* rationale that benefit of the doubt be given to verdict losers when a general verdict form is used in cases where there are multiple claims or defenses at issue. The court of appeals decision is contrary to the uniform treatment of the review of multiple-theory, general verdicts since this Court's decision in *Maryland v. Baldwin.*

The Federal Circuit's decision also impermissibly impairs the right to trial by jury under the Seventh Amendment. In holding that the *Sunkist* rule can be disregarded if no objection is made to the trial court's decision to use a general verdict form, the Federal Circuit grants the reviewing court license to abrogate its obligation to assure that *each* of the claims or defenses subsumed within the general verdict were properly before the jury. The Federal Circuit decision creates a fiction that the jury decided in the verdict winner's favor on each of the multiple legal theories submitted on the general verdict, whereas the *Sunkist* rule recognizes that all that can be properly inferred is that the jury found in favor of the verdict winner on one of those theories. The Federal Circuit's decision turns *Sunkist* on its head. It deprives litigants of their constitutional right to a trial by jury by permitting judgments to be affirmed based

on jury verdicts that may never have been reached. Under the Federal Circuit's new approach, a judgment on a general verdict could well be affirmed on a ground that the jury resolved in favor of the verdict loser, thereby vitiating the entire jury function.

The decision of the Federal Circuit creates an open invitation for trial courts to favor the use of general verdict forms in complex cases in which there are multiple claims and defenses and thus often render serious trial errors essentially non-reviewable by the appellate courts. In effect, the Federal Circuit decision impairs the right to a jury trial by stimulating the use of general verdicts to preclude a verdict loser's right to a new trial by showing reversible error on any *one* of the theories submitted to the jury. The potential mischief of the Federal Circuit's decision is evident and should not be allowed to stand.[1]

---

1. The Federal Circuit's decision runs counter to the purpose of its charter as the specially-created court of appeals to address frequently complex patent appeals because it truncates the review of mulitple claims or defenses when the court should be solicitous to carefully review a general verdict addressing such claims or defenses. *See, e.g., Warner-Jenkinson Co. v. Hilton-Davis Chemical Co.*, 520 U.S. 17, 39 n.8, 117 S. Ct. 1040, 1053, 137 L. Ed. 2d 146 (1997) (The Federal Circuit is responsible to treat jury verdicts in a manner to promote certainty, consistency, and reviewability); *cf., Cardinal Chemical Co. v. Morton Int'l, Inc.*, 508 U.S. 83, 113 S. Ct. 1967, 124 L. Ed. 2d 1 (1993) (reversed Federal Circuit's practice of routinely vacating judgments of validity after finding noninfringement and mandated review of declaratory judgment claims regarding validity).

Prior Proceedings

Mitsubishi brought this action against Ampex Corporation ("Ampex") for infringement of U.S. Patents nos. 4,336,612 and 4,665,533. The action was filed in late 1995, and was tried to a jury during March 1997. This petition relates solely to the '533 patent and the court of appeals' affirmance of the general jury verdict that it was invalid.

At trial, Ampex contended that the '533 patent was invalid under three separate theories — indefiniteness, anticipation and obviousness. After the court declined to use Mitsubishi's proposed special verdict which separately addressed Ampex's theories for invalidity,[2] the case was sent to the jury for decision on Ampex's general verdict form that simply asked whether the '533 patent was invalid.[3] The verdict returned by the jury found that Ampex literally infringed the '533 patent's sole claim, but that the claim was invalid. In accordance with the form of the verdict, the jury did not specify on which theory or theories of invalidity it had found the '533 patent invalid.

---

2. Mitsubishi's proposed, and rejected, special verdict form reflected two of Ampex's invalidity theories — obviousness and anticipation. As to Ampex's third theory based on indefiniteness, Mitsubishi took the position that it was not an issue for the jury but was a matter of law for the court. The trial court, however, declined to rule on indefiniteness, preferring for the jury to return a general verdict encompassing all three theories. Mitsubishi's position was later proven correct when the Federal Circuit ruled in *Atmel Corp. v. Information Storage Devices, Inc.*, 1999 U.S. App. LEXIS 34441 at *9 (Fed. Cir., Dec. 28, 1999), that the issue of indefiniteness is a question of law to be determined by the court.

3. Because Ampex's verdict form as to the invalidity defense did not break out each separate theory of that defense, that portion is properly characterized as a "general" verdict form. (App. at 36a).

Before the Federal Circuit, Mitsubishi challenged each of the three grounds on which the '533 patent could have been found invalid. Mitsubishi observed that under the rule established by this Court in *Sunkist*, 370 U.S. at 29-30, 82 S. Ct. at 1136, 8 L. Ed. 2d at 312, a new trial on validity would be required if it established that any one of the three theories of invalidity was submitted to the jury in error. As this Court has long recognized, this standard of review is a natural consequence of using a general verdict where multiple theories are involved.

However, the Federal Circuit's decision engrafted a new and additional requirement on the *Sunkist* rule. It characterized Mitsubishi's position on the standard of review as "argu[ing] that the generality of the ensuing verdict led to an unreviewable, and thus fatally flawed, judgment." (Opinion, App. at 7a). The Federal Circuit found that this was, in effect, an "objection" that should have been raised prior to the submission of the case to the jury, and that by failing to "press the argument for the separate theories of liability" Mitsubishi had failed to "preserve its objection to the form of the verdict." (Opinion, App. at 8a). The court of appeals reached this conclusion despite its acknowledgement that Mitsubishi's proffered special verdict form had been rejected by the trial court.[4] (Opinion, App. at 7a).

The Federal Circuit's ruling that Mitsubishi had waived the right to have the jury's verdict interpreted under the rule

4. Fed. R. Civ. P. 46 ("Formal exceptions to rulings or orders of the court are unnecessary; but for all purposes for which an exception has heretofore been necessary it is sufficient that a party, at the time the ruling or order of the court is made or sought, makes known to the court the action which the party desires the court to take or the party's objection to the action of the court and the grounds therefor . . . .").

of *Sunkist* has bizarre consequences and should not stand. As *Sunkist* and the numerous cases applying its rule recognize, the most that can be inferred from a general verdict on multiple theories is that the jury found for the prevailing party on one of those theories, but which one cannot be ascertained. In reviewing the jury's verdict of invalidity, however, the Federal Circuit found that it could uphold the verdict if any one theory was supported by substantial evidence. This holding enabled the Federal Circuit to limit its review to only one of the three invalidity theories, and to uphold the general verdict after finding that substantial evidence was presented on the one theory, notwithstanding that by virtue of the fact that only a general verdict was returned, the jury may have decided this theory in Mitsubishi's favor.

REASONS FOR GRANTING THE WRIT

A. The Federal Circuit's Decision That An Objection To The Form Of The Verdict Is Required to Preserve The Standard Of Review Mandated By *Sunkist* Is Contrary To The Long-Established Law Of This Court

No federal court has ever held, as the Federal Circuit did here, that a party can "waive" the legal standard for interpreting a general verdict by not objecting to the court's use of the general verdict form. This ruling is wrong, contrary to existing law, and sets a harmful precedent which can be used by trial courts to deny meaningful jury trials and by the court of appeals to prejudicially limit a verdict loser's right of review.

This Court has on three occasions addressed the standard of review of general verdicts on multiple theories — in *Maryland v. Baldwin*, 112 U.S. 490, 493, 5 S. Ct. 278, 28 L. Ed. 822 (1884), *United New York and New Jersey Sandy Hook Pilots Association v. Halecki*, 358 U.S. 613, 619, 79 S. Ct. 517, 3 L. Ed. 2d 541 (1959) and most recently, *Sunkist*. In none of these opinions is there any hint of a suggestion that an objection to the form of the verdict is a prerequisite to applying the proper standard of review. Moreover, the only reported federal decision to address whether the standard of review required by *Sunkist* can be waived, *Royal Typewriter Co. v. Xerographic Supplies Corp.*, 719 F.2d 1092, 1099 n.1 (11th Cir. 1983), flatly rejected the proposition on the ground that the form of the verdict "rests within the trial court's discretion." Accordingly, Mitsubishi understood that, even with the adoption of the general verdict form by the trial court, Ampex would bear the burden on appeal of establishing the existence of substantial evidence as to each one of its multiple invalidity theories.

The lack of an objection to an otherwise non-erroneous general verdict form[5] cannot alter the standard of review. The Federal Circuit's contrary opinion proffers no rational connection between a failure to object to a general verdict form selected by a trial court and the adoption of a truncated scope of review which assumes for the first time in federal jurisprudence that a general verdict on multiple claims or defenses may be affirmed if a single claim or defense was

---

5. A trial court's exercise of discretion under Rule 49 of the Federal Rules of Civil Procedure to use a general verdict form, as opposed to special interrogatories, has never been held to be error. 9 Wright & Miller, *Federal Practice and Procedure: Civil*, § 2505, pp. 164-165 (1995) ("there ought never be a reversal for use or nonuse of special verdicts").

properly submitted to the jury. The opinion provides no rationale because regardless of whether an objection has been made to a general verdict form, the inherent uncertainty of the jury's decision in multiple claim cases still persists. It is this very uncertainty which underlies the well-reasoned *Sunkist* rule. The Federal Circuit's decision to limit its scope of review to a single claim if there is a failure to object to the verdict form for the first time shifts the burden of that uncertainty to the verdict loser — an unprecedented change in the manner that general verdicts have been reviewed on appeal and a repudiation of Supreme Court precedent on this very issue. As this Court has repeatedly held, it is the uncertainty of the basis for a general verdict which underpins the *Sunkist* rule. Whether a party has objected to the verdict form does not change the applicability of the *Sunkist* rationale. A verdict loser is still entitled to a review utilizing the *Sunkist* rule that the verdict is subject to reversal unless each one of multiple claims or defenses were properly before the jury.

The Federal Circuit's newly engrafted requirement that an objection be made to the use of the general verdict as a condition to applying the *Sunkist* rule also undermines the statutory presumption of validity accorded to issued patents. 35 U.S.C. § 282. On issues of patent validity determined by a jury, the standard of review is whether substantial evidence supports the jury's verdict. *Markman v. Westview Instruments, Inc.*, 52 F.3d 967, 975 (Fed. Cir. 1995) (*en banc*), *aff'd*, 116 S. Ct. 1384 (1996). A finding that a claim or defense is supported by substantial evidence, even in light of a clear and convincing standard of proof,[6] does not involve a particularly searching review. Merely because a party is able to muster what

6. *Robotic Vision Systems, Inc. v. View Engineering, Inc.*, 189 F.3d 1370, 1377 (Fed. Cir. 1999) (a party urging invalidity of a patent must meet a clear and convincing burden of proof).

amounts to substantial evidence does not mean that the countervailing evidence will not be overwhelming and persuasive to a jury. If this were not the case, there would be little argument over whether the substantial evidence versus a de novo standard of review was appropriate. Thus, the court of appeals' failure to review the basis for *each* defense substantially eroded the already modest hurdle a verdict winner must surmount to uphold the jury's general verdict and unjustifiably undermines a patent's statutorily presumed validity.

B. The Federal Circuit's Ruling That A Failure to Object to the General Verdict Form Constitutes a Waiver Impermissibly Impairs the Right to Trial by Jury

In *Sunkist*, this Court reaffirmed a rule designed to protect a party's right to trial by jury by requiring that each legal theory be properly before the jury before a general verdict may be upheld. A party should not be found to have "waived" this right by not objecting to an "unreviewable" exercise of discretion by the trial court in selecting the form of verdict, particularly where the waiver would operate to undermine the right to trial by jury. *Minneapolis & St. Louis R.R. Co. v. Bombolis*, 241 U.S. 211, 213, 36 S. Ct. 595, 60 L. Ed. 961 (1916) ("The 'right,' which is secured by the Seventh Amendment is not a matter of procedure, but of substance, and one possessing such right cannot be deprived of it by any means short of an amendment to the Constitution"). By denying the right to have a jury's verdict interpreted under the legal standard mandated by this Court in *Sunkist*, the Federal Circuit's opinion deprives litigants of their Seventh Amendment right to a jury trial, a result

which is especially troubling given the court of appeal's charter to provide special consideration to patent suits.

In *Dimick v. Schiedt*, 293 U.S. 474, 486, 55 S. Ct. 296, 301, 79 L. Ed. 603 (1935), this Court held that:

> Maintenance of the jury as a fact-finding body is of such importance and occupies so firm a place in our history and jurisprudence that any seeming curtailment of the right to a jury trial should be scrutinized with the utmost care.

The level of scrutiny contemplated in *Dimick* is plainly absent from the Federal Circuit's opinion. Although three invalidity defenses were tried to the jury, the jury's actual verdict on those defenses was discarded and substituted with the fiction that invalidity was separately found on each defense. The fact that it cannot be known whether the jury actually reached that result is not even acknowledged.

CONCLUSION

The Federal Circuit's mistaken view that a party's failure to object to the trial court's use of a general verdict form somehow "trumps" the standard of review mandated under *Sunkist* has the potential to undo over a century's worth of this Court's precedent. This dangerous new ruling impermissibly encroaches on the Seventh Amendment right to trial by jury and improperly invites lower courts to shield jury verdicts in complex cases from effective review through the use of general verdicts. The need for this Court's intervention, therefore, is imperative.

The petition for a writ of certiorari should be granted.

Respectfully submitted,

LES J. WEINSTEIN
Counsel of Record
MARTIN J. TRUPIANO
VINCENT J. BELUSKO
GRAHAM & JAMES LLP
Attorneys for Petitioner
801 South Figueroa Street
14th Floor
Los Angeles, CA 90017
213-624-2500

APPENDIX

APPENDIX A — OPINION OF THE UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT DATED AUGUST 30, 1999

MITSUBISHI ELECTRIC CORPORATION,

Plaintiff-Appellant,

v.

AMPEX CORPORATION,

Defendant-Cross-Appellant.

Nos. 97-1502, 97-1538.

United States Court of Appeals,
Federal Circuit.

Aug. 30, 1999.

* * *

Before NEWMAN, Circuit Judge, SKELTON, Senior Circuit Judge, and LOURIE, Circuit Judge.

PAULINE NEWMAN, Circuit Judge.

Mitsubishi Electric Corporation appeals the judgment of the United States District Court for the Central District of California, concerning Mitsubishi's United States Patent No. 4,336,612 ("the '612 patent") and United States Patent

No. 4,665,533 ("the '533 patent").[1] The jury verdict was that the asserted claims of both patents were invalid and that none of the asserted claims of the '612 patent was infringed either literally or under the doctrine of equivalents, but that claim 1 of the '533 patent was literally infringed if valid. On appeal Mitsubishi requests either a new trial or judgment in its favor as a matter of law. Ampex has filed a conditional cross-appeal of the verdict that it infringes the '533 patent.

The district court entered judgment on the jury verdicts and denied all post-trial motions. We affirm the judgment.

I
THE '612 PATENT

The '612 patent, entitled "Error Correction Encoding and Decoding System" granted on June 22, 1982, is directed to a system for correcting errors that occur during the transmission, recording, or reproduction of digital information. For example, in making a digital recording of music on magnetic tape, errors may occur when a particle of dust lands on a recording head. This dust can cause strings of erroneous binary bits, called a "burst error." In the error correction system of the '612 patent, digital information (the data to be transmitted or recorded or reproduced) is arranged in an array of bits and is encoded, such that when errors occur they can be located and corrected on decoding, allowing accurate recovery of the original information.

---

1. Mitsubishi Electric Corp. v. Ampex Corp., No. CV 95-8236-ER (C.D. Cal., April 24, 1997).

Appendix A

According to the '612 patent, the digital information is divided into a two-dimensional rectangular array of bits, described as an array of k_1 bits in the horizontal direction and an array of k_2 bits in the vertical direction. During encoding, error correcting codes are used to add check information to the data in each direction. An error correcting code C_2 is used for data in one direction of the array, and an error correcting code C_1 is used for data in the second direction of the array. The term "product code" refers generally to the use of these codes. Because the system uses these codes for data in both the horizontal and the vertical directions, the system's error correction capability is enhanced. Claim 1 of the '612 patent describes the claimed system as follows:

> 1. An encoding and decoding system for digital information having a rectangular array of bits including k_1 bits in a first direction and k_2 bits in a second direction orthogonal to the first direction which system comprises
>
> encoding means including an encoding adapting circuit for codes C_2 for dividing the k_1 bits in the first direction into b bits apiece, and forming a plurality of k_2 X b bit rectangular arrays each including the b bits in the first direction and the k_2 bits in the second direction,
>
> a C_2 encoder for encoding the plurality of k_2 X b bit rectangular arrays into a plurality of n_2 X b bit rectangular arrays each including the

Appendix A

b bits in the first direction and n_2 bits in the second direction,

a C_1 encoder for encoding the k_1 bits in the first direction into n_1 bits by adding n_1-k_1 check bits to the k_1 bits in the first direction,

and a timing generator circuit for generating timing signals for controlling the operation of said encoding means to thereby encode the digital information into a codeword of a generalized product code including the n_1 bits in the first direction and the n_2 bits in the second direction;

and decoding means operatively connected to said encoding means by a transmission means for decoding the digital information encoded by the encoding means;

wherein said C_1 and C_2 encoders are operative to encode in response to said timing signals of said timing generator and wherein either said C_1 encoder or said C_2 encoder provides said generalized product code.

Claim 2 adds an information matrix-forming circuit for arranging digital information into a rectangular array of bits, and claim 3 describes the information matrix-forming circuit as containing RAM devices and selector means. Claim 11 adds elements including an erasure weight calculation circuit and an erasure location calculation circuit.

Appendix A

The explanation of this technology and much of the discussion of its technological and legal significance was presented at trial through the testimony of expert witnesses. Experts for both sides testified to the meaning of various technical terms as used in this system, the scope of the claims as applied to the accused device, the content of the prior art, the relation of the patented technology to the prior art, and other aspects relating to both validity and infringement. The issues at trial, and indeed on appeal, were complex in fact and law. No challenge is raised as to the technical competence and admissibility of the expert testimony, see generally Kumho Tire Co. v. Carmichael, 526 U.S. 137, 119 S.Ct. 1167, 143 L.Ed.2d 238 (1999), although the parties dispute the opinions expressed and the conclusions drawn by the expert witnesses.

The district court, and the Federal Circuit on appeal, each reviewing the jury's verdicts, must determine whether the law was correctly stated, including the jury instructions on claim construction, and whether there was substantial evidence to support the jury's verdicts. See, e.g., Al-Site Corp. v. VSI Int'l, Inc., 174 F.3d 1308, 1314, 50 U.S.P.Q.2d 1161, 1164 (Fed.Cir.1999) (after interpreting the claims, district court instructed jury to apply its construction of the claims to determine infringement); Shatterproof Glass Corp. v. Libbey-Owens Ford Co., 758 F.2d 613, 626, 225 U.S.P.Q. 634, 643 (Fed.Cir.1985) (In reviewing a district court's denial of a motion for new trial, we review the jury instructions as a whole to determine whether clear error occurred, such that the jury was misled.).

Appendix A

A. The Verdict of Invalidity of the '612 Patent

The verdict form asked the jury to decide, as to each claim in suit, whether the claim was proven invalid by clear and convincing evidence. The verdict form did not distinguish among the three principal grounds of invalidity that had been argued at trial: (1) obviousness in view of a publication by the inventors over a year before the filing of the continuation-in-part application that became the '612 patent, (2) an invalidating public use based on a demonstration at an Audio Engineering Society convention, and (3) an invalidating public use and sale of an IBM device, the IBM 3850, described as closely similar to the Mitsubishi device.

Mitsubishi states that if any one of these three grounds was erroneously submitted for jury verdict, the verdict must be vacated and a new trial granted because it is not possible for the appellate court to know whether the verdict was founded on the ground that was submitted in error. Mitsubishi also states that its "challenge to the jury's invalidity verdicts is premised on the absence of substantial evidence to support the legal theories underlying those verdicts."

The Supreme Court has ruled that when liability is argued to the jury on alternate legal theories, one of which is not legally correct or is not a permissible jury question, a general verdict of liability can not stand lest it have been based on the incorrect or impermissible theory. In Maryland v. Baldwin, 112 U.S. 490, 5 S.Ct. 278, 28 L.Ed. 822 (1884) the Court stated of a general verdict that "its generality prevents us from perceiving upon which plea they found. If,

therefore, upon any one issue error was committed, either in the admission of evidence or in the charge of the court, the verdict cannot be upheld. . . ." Id. at 493, 5 S.Ct. 278. This principle has been applied to multiple claims as well as to multiple theories, when one of the claims or theories should not have been submitted to the jury. See Sunkist Growers, Inc. v. Winckler & Smith Citrus Prods. Co., 370 U.S. 19, 82 S.Ct. 1130, 8 L.Ed.2d 305 (1962); United New York & New Jersey Sandy Hook Pilots Assoc. v. Halecki, 358 U.S. 613, 79 S.Ct. 517, 3 L.Ed.2d 541 (1959).

Although the Ninth Circuit, in which this case was tried, has recognized an exception whereby the district court has discretion to depart from this general rule, see Traver v. Meshriy, 627 F.2d 934, 938 (9th Cir.1980), we need not consider the applicability of this procedure, for Mitsubishi did not preserve an objection on this ground, and has not shown that any ground of invalidity was improperly presented for jury verdict.

Before the case was submitted to the jury, Mitsubishi submitted a proposed verdict form that separated various grounds of invalidity. In response to the trial court's concern about undue complexity, the verdict form was revised, collapsing these grounds into a single question of invalidity. Mitsubishi argues that the generality of the ensuing verdict led to an unreviewable, and thus fatally flawed, judgment. Ampex, on the other hand, argues that based on the procedures and statements before the district court, Mitsubishi waived this objection to the form of the verdict.

Appendix A

In response to Ampex's waiver argument, Mitsubishi directs us to the trial judge's statements regarding verdict form simplification and to the fact that Mitsubishi raised its arguments relating to the form of verdict in post-trial motion. Mitsubishi emphasizes that it originally proposed a fully itemized verdict form. Mitsubishi also states that it "does not claim that the use of the general verdict was in error," and that its only concern is that we can not, on appeal, review the verdict because we do not know its legal basis. However, the time to raise this objection was before submission of the case to the jury. Mitsubishi had argued that the verdict form should include special interrogatories for each claim, yet did not press the argument for the separate theories of invalidity. We conclude that Mitsubishi did not preserve its objection to the form of the verdict as grounds for reversal or a new trial. See Hoechst Celanese Corp. v. BP Chemicals Ltd., 78 F.3d 1575, 1581, 38 U.S.P.Q.2d 1126, 1131 (Fed.Cir.1996) (appellant waived objection by acquiescing in and proposing the verdict form); McCord v. Maguire, 873 F.2d 1271, 1274 (9th Cir.1989) amended by 885 F.2d 650, 650 (9th Cir.1989) (where appellant challenged general verdict based on insufficient evidence for various factual theories underlying verdict but where, at trial, appellant did not request a special verdict as to each factual theory, appellant waived right to raise such a challenge); 9 James Wm. Moore et al., Moore's Federal Practice §49.20[5] (3d ed.1997) (to avoid possible waiver on subsequent appeal, the objection to the form or content of special interrogatories must be made before the jury is discharged).

Nonetheless, we have reviewed the evidentiary basis for issues on which Mitsubishi relies in its argument that there

was not substantial evidence to support the jury verdict. A principal issue was the nature and content of a Mitsubishi demonstration at an Audio Engineering Society (AES) convention. Although Mitsubishi did not dispute that a device was demonstrated in May 1978, the parties disputed whether the invention as recited in the claims was used at the demonstration. Mitsubishi describes the demonstrated device as "some prototype device, whatever its structure" and states that there was no evidence of encoding/recording at the demonstration. Thus Mitsubishi argues that there was not substantial evidence that the claimed invention was used in public, and that the question of invalidity based on public use should not have been presented to the jury.

Witnesses presented testimonial, documentary, and opinion evidence on the issue. There was a 1978 report written by one of the Mitsubishi inventors, which included circuit diagrams of the recorder that was present at the AES convention and of its encoding and decoding circuitry. The inventor's report stated that "the performance" of the device was demonstrated, and the inventor testified that the demonstration device had encoding and decoding circuitry but that he could not remember whether this circuitry was used in the demonstration. There was also testimony that the demonstration included a tape editing demonstration. Ampex's expert witness testified that based on his review of the written and testimonial evidence, the invention of the '612 patent was used at the demonstration.

There was no criticism of the jury instruction on the applicable law, which was as follows:

Appendix A

> A public use for the purpose of barring access to the patent system is a use for more than a year before the patent's earliest effective filing date, whereby [the] completed "invention" is used in public, without restriction and in circumstances other than substantially for the purpose of experiment. The test is not whether the invention was present at a public place but whether it was actually used in public as recited in the claims of the patent.

Although both sides debate issues of credibility and recollection after the passage of eighteen years, we conclude that the documentary evidence itself could support a finding that the claimed invention was used in public in May 1978.[2] Since this issue suffices to sustain the verdict of invalidity, we do not discuss the other grounds that were asserted by Ampex. See, e.g., W.L. Gore & Assocs., Inc. v. Garlock, Inc., 721 F.2d 1540, 1549, 220 U.S.P.Q. 303, 309 (Fed.Cir.1983) ("In view of our affirmance of the judgment reached on claim 1 under 102(a), we need not discuss other asserted grounds of invalidity of claim 1.").

---

2. This May 1978 demonstration occurred more than a year before the May 16, 1980 filing of the continuation-in-part application that issued as the '612 patent, but less than a year before the January 16, 1979 filing of the parent United States application. Mitsubishi states by footnote in its brief that it "has always maintained" that claims 1, 2, and 11 in suit are entitled to the filing date of the parent United States application. However, on appeal Mitsubishi presents no argument or discussion in support of this position. Perforce it is abandoned.

Appendix A

II
THE '533 PATENT

The '533 patent, entitled "Digital Signal Transmission System" granted on May 12, 1987, describes a method of improving the transmission of digital data by placing synchronizing codes into a stream of data.

Ampex argued at trial that claim 1, the only claim of the '533 patent, was invalid, raising the grounds of indefiniteness, anticipation, and obviousness. The jury rendered a verdict that claim 1 was invalid, but if valid was infringed. The verdict form again did not distinguish among the asserted grounds of invalidity. Mitsubishi seeks reversal or a new trial on the issue of validity, arguing that the ground of indefiniteness is a question of law and should not have been presented for jury verdict. Mitsubishi also argues that neither anticipation nor obviousness was supported by legally sufficient evidence. Mitsubishi again argues that the verdict can not be sustained if any single ground was submitted to the jury in error. For the reasons that we deem this argument to have been waived with respect to the '612 patent, it is waived with respect to the '533 patent. Ampex cross-appeals on the issue of infringement.

The Invention

In the transmission of digital data, it was known that a segment of digital data could be represented as a matrix of rows and columns of data. The matrix as a whole constitutes a block, and a block comprises multiple frames, where each frame is equated to one row of the matrix. The prior art

transmission format consisted of a stream of frames, with a given number of frames forming a block. When transmitting digital data in a continuous stream, it was known to place synchronization codes before each frame and before each block, to be used as markers or identifiers. These identifiers would indicate where a frame or block began and where a frame or block ended. In the prior art, separate codes were used for frames and for blocks; thus two codes were needed to indicate the point in a data stream where both a new frame and a new block began.

In the method of the '533 patent, instead of using separate block and frame codes, two "frame synchronous codes" are used. One code is used for the start of a frame that also begins a new block, and a second code is used for the start of a frame that does not begin a new block. In the '533 system the start of each new block does not require insertion of two codes. Ampex argued that this change was not novel, or if novel would have been obvious to a person of ordinary skill in this field. Ampex also argued invalidity on the ground of indefiniteness of the claims.

Figures 3 and 4 of the '533 patent illustrate the invention, Figure 3 representing the prior art and Figure 4 representing the '533 invention:

Appendix A

FIG. 3

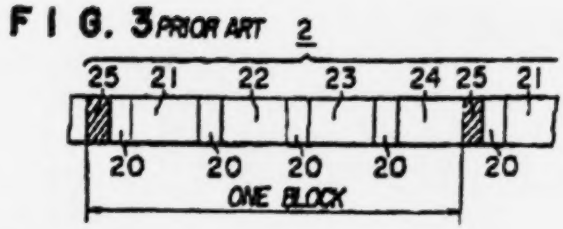


FIG. 4

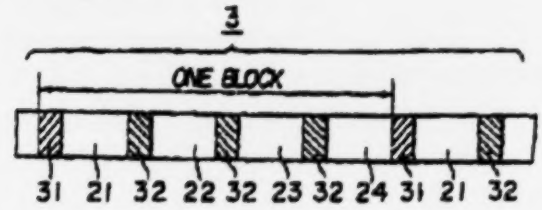


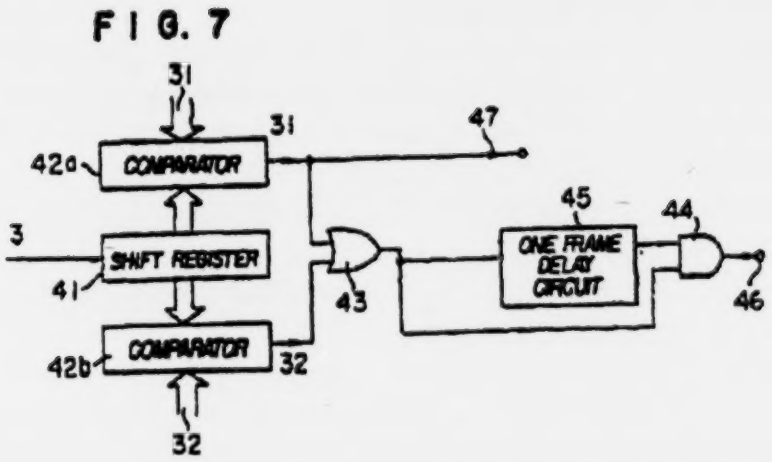
FIG. 4

In these figures (20) represents a prior art frame synchronization code, (21) through (24) represent various frames of data, (25) represents a prior art block synchronization code, and (31) and (32) represent the frame synchronous codes of the '533 invention.

The case was tried through the testimony of expert witnesses. The witnesses explained the circuitry that locates the synchronization codes or "markers" and that then reports, to the rest of the system, the beginning of a frame or the beginning of a block. This circuitry is shown in Figure 7 of the '533 patent:

Appendix A

FIG. 7



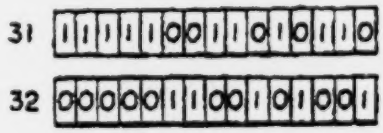
When a digital signal receiver processes an incoming serial stream of data (3) it uses a circuit called a "shift register" (41) along with "comparators" (42a) and (42b) to search for block and frame identifying codes. Each comparator checks the data stream one bit at a time, comparing the data stream pattern to a reference pattern. When, for example, a comparator finds the block synchronization code, it sends out a signal indicating the beginning of a block. In this way two signals are sent, one representing the first frame in each block and the other representing the remaining frames in each block. An OR gate analyzes these signals, looking for an output from either the block synchronization comparator circuit or the frame synchronization comparator circuit. If it detects either one, then it sends a signal to indicate the beginning of a frame. Further, because a block synchronous code represents both the beginning of a block and the beginning of a frame, the comparator 42a can cause the

circuitry to generate both a block synchronous signal and a frame synchronous signal.

Figure 5 depicts a pair of synchronous code patterns of the invention such that both codes are fifteen bits long and the second code is the binary complement of the first (111110011010110 and 000001100101001). Code (31) marks the position of only the first frame of a each block. Code (32), on the other hand, marks the position of the remaining frames. As illustrated by Figure 5 and Figure 7 of the '533 patent and as described in the specification, comparator (42a) signals if it detects 111110011010110, while comparator (42b) signals if it detects 000001100101001.

FIG.5

FIG. 5

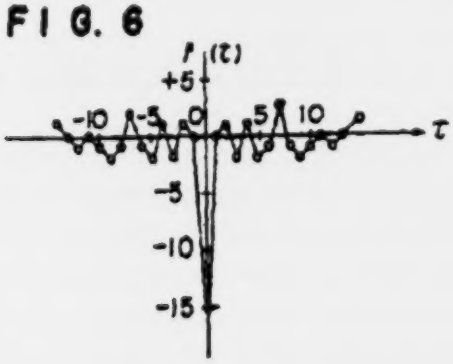


As the expert witnesses explained the technology, much attention was given to the concept of cross-correlation. The experts explained that a cross-correlation function measures the likelihood that a comparator could mistake one code for the other. On a plot of the cross-correlation function, there is a number associated with all the possible offsets of one synchronization code with respect to the other code. The cross-correlation function can be visualized by picturing the two Figure 5 codes juxtaposed, one above the other, but offset

so that the upper code is to the left of the lower code and no bits overlap. Holding the lower code stationary and moving the upper code to the right one bit at a time, first one bit overlaps the lower code, then two, and so on. At each step a calculation is made, and through this calculation a value of the cross correlation function is generated. This calculation involves focusing on where bits overlap, each overlapping bit being compared to the bit directly below it, and subtracting the number of disagreements from the number of agreements.

When the two synchronization codes of Figure 5 are lined up, one directly above the other, all bits of one code disagree with all bits of the other code. At this point, the value of the cross-correlation function is a large negative number. Figure 6 of the '533 patent shows the full graph of this function:

FIG. 6



Appendix A

Claim 1, the only claim of the '533 patent, follows:

1. In a digital signal transmission system for transmitting data by dividing a digital data signal train into frames, giving respectively frame synchronous code signals to said frames, grouping said frames into blocks, and giving a block synchronous code signal to each block, the improvement comprising:

selecting a first code pattern only for said frame synchronous code signals and a second code pattern for said block synchronous code signal and for said frame synchronous code signals, said first and second code patterns exhibiting a low cross-correlation function;

transmitting said data with only said second code pattern of said first and second code patterns inserted prior to each data block and only said first code pattern of said first and second code patterns inserted prior to each data frame within each block;

receiving and detecting each of said first and said second code patterns to produce respective first and second detection signals upon detection thereof;

combining said first and second detection signals to produce a frame synchronization signal used for frame synchronization of each data frame; and

> using said second detection signal for block synchronization of each data block.

Obviousness

The trial judge correctly instructed the jury that an obviousness determination requires consideration of the following:

> One, what was the scope and contents of the prior art at the time the alleged invention was conceived; what were the differences if any between the prior art at the time the alleged invention was conceived; what were the differences if any between the prior art and the alleged invention, that is, what does this alleged invention add to what was already known; and three, what was the level of ordinary skill in the prior art at the time the alleged invention was made.
>
> In making your determination you should also consider [secondary considerations] . . .
>
> In order to be patentable, an invention must not be obvious to a hypothetical person of ordinary skill in the art at the time the invention was made. . . .

See, e.g., Graham v. John Deere Co., 383 U.S. 1, 86 S.Ct. 684, 15 L.Ed.2d 545, 148 USPQ 459 (1966). With respect to how to analyze a combination of prior art references, the court instructed the jury as follows:

Appendix A

> The mere existence in the prior art of individual features of a patented invention does not without more invalidate the patent under the obviousness test. There must be evidence that the bringing together of such features or steps would have been obvious to an ordinarily skilled person. It is improper to combine prior art references solely because the inventor's patent itself suggests the new combination of old elements. Thus, to combine any of the teachings of the prior art there must be some teaching or suggestion supporting the combination.
>
> Further, you may not combine the features of prior products where the prior art itself teaches against the combination.

We discern no flaw in these instructions. The jury found claim 1 of the '533 patent invalid. We review this verdict for substantial evidence in support of any necessary findings of fact, and for correct application of the law to these findings.

Three references of particular relevance to the issue of obviousness are: (1) an article by Merwin W. Williard entitled "Optimum Code Patterns for PCM Synchronization," presented at the National Telemetering Conference in May 1962 (the "Optimum Codes Williard article"); (2) a second article by Williard entitled "Mean Time to Establish PCM Synchronization," presented at the National Symposium on Space Electronics and Telemetry in October 1962 (the "Synchronization Williard article"); and (3) an article by

Appendix A

G.E. Goode and J.L. Phillips entitled "Optimum PCM Frame Synchronization Codes and Correlation Detection," presented at the National Telemetering Conference in May 1961 (the "Goode and Phillips article").

Mitsubishi argues that it was improper for the Ampex witness to compare the Synchronization Williard article with Figure 7 of the '533 patent. In support of this position, Mitsubishi states that Figure 7 was directed to an abandoned claim. Mitsubishi also argues that none of the prior art references shows the fourth step of the claim: combining the signals "to produce a frame synchronization signal used for frame synchronization of each data frame." Mitsubishi also challenges the conclusion by Ampex's expert witness that based on the references there was nothing new or unobvious in the claimed invention.

The '533 patent prosecution history illuminates the relevance of Figure 7. The examiner had rejected the claims in the '533 patent application as inoperative, premised on an inadequacy in Figure 7. The rejection dealt with the relative positions of AND gate 44 and frame delay circuit 45. According to the examiner, the invention was "incapable of carrying out the frame synchronous pulse communication as described in the specification" because, in the original Figure 7, one of the inputs of the AND gate had a feedback from its own output. Responding to this rejection and in its appeal brief in the Patent Office, Mitsubishi explained that claim 6, a claim that was canceled prior to allowance, was the only claim that dealt with AND gate 44 and the delay circuit 45. In explaining this issue as it related to pending claim 5 — which issued as claim 1 of the '533 patent — Mitsubishi's stated:

Appendix A

> Claim 5, on the other hand, defines Appellant's invention in terms of the functions provided by, for example, the comparators 42a, 42b, shift register 41, and OR gate 43 in providing a block synchronization pulse signal 47 at the output of comparator 42a and in providing a frame synchronization pulse at the output of OR gate 43 shown in Figure 7. Note that the step of "combining said first and second detection signals to produce a frame synchronization signal used for frame synchronization of each data frame", as recited in claim 5, is indeed performed by the OR gate 43. Thus, the AND gate 44 and the delay circuit 45 shown in Figure 7, which are alleged by the Examiner as being inoperable, are neither used nor needed to implement the invention defined by pending Claim 5.

Thus Mitsubishi argued that except for items 44 and 45, Figure 7 showed with blocks what the claim described in words.

Ampex's expert presented sufficient evidence for the jury to find that the Synchronization Williard article teaches all but one of the elements of claim 1. The article develops equations to evaluate digital synchronization systems in terms of the time required to acquire synchronization and in terms of the percentage of data lost due to loss in pattern synchronization, and then applies the equations to the Saturn rocket telemetry systems. The article discusses a system that transmits ten-bit words and that has a most repetitive data cycle defined by a synchronization pattern (or code). Each

of these repetitive data cycles consists of twenty-seven data words plus a thirty-bit synchronization word. The system also uses a 10:1 countdown from the highest rate data cycle. The beginning of each of these countdown cycles is defined by reversing the polarity of all the bits in the primary synchronization pattern.

The Synchronization Williard article states that after primary synchronization is obtained, which is synchronization on the most repetitive pattern, synchronization on the subcycle pattern is necessary. For subcycle synchronization the system looks for a reversal of polarity of all synchronization bits in the prime synchronization pattern once every ten groups; that is, the system looks for a secondary synchronization pattern (or code) that is the complement of the primary synchronization pattern.

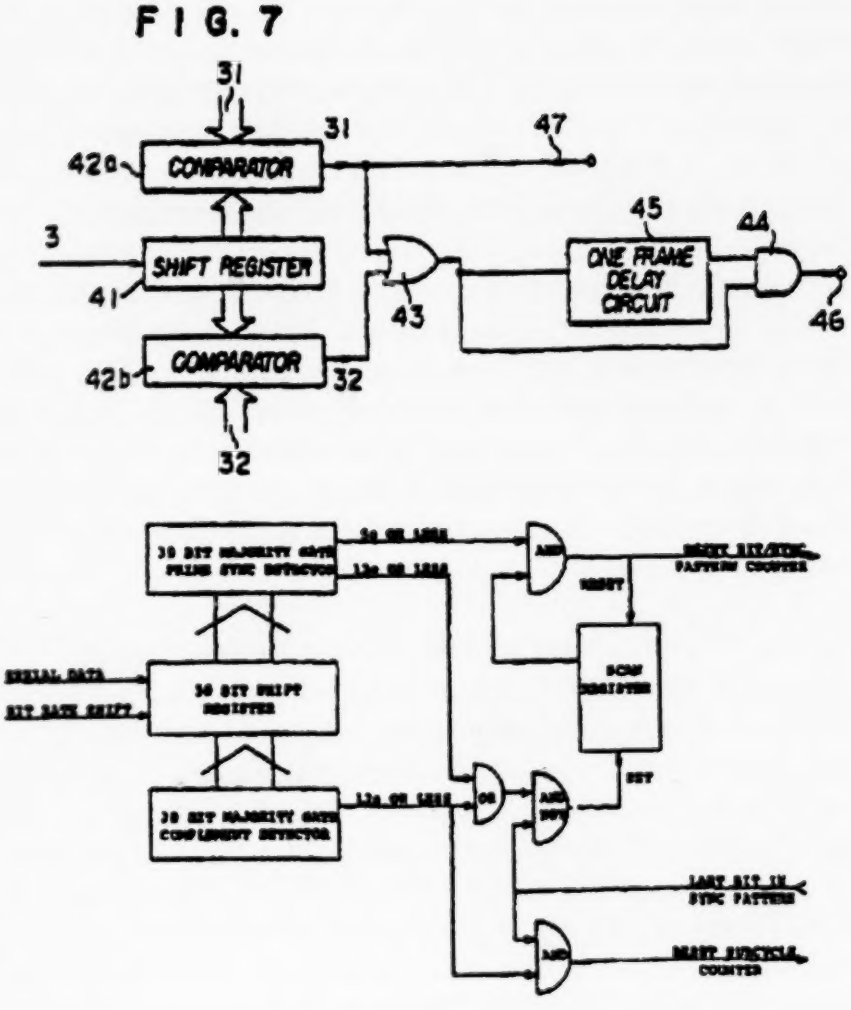
Ampex's expert testified that the thirty-bit (or primary) synchronization word marked the most repetitive data cycle or "frame" and constituted what was referred to in the '533 patent as a "frame synchronization pattern." Referring to the 10:1 countdown cycle, the Ampex expert explained that "something special [was] happening every tenth frame." The Williard system divided up the data stream into "blocks," as that term is used in the '533 patent, of ten frames, each frame beginning with the primary synchronization pattern (or thirty-bit synchronization word) and each block beginning with the complement of the primary synchronization pattern. Ampex's expert testified that what was happening in this Williard Synchronization article was the same as was happening in Figure 4 of the '533 patent.

Appendix A

When asked to compare Figure 7 of the '533 patent with Figure 3 of the Synchronization Williard article, Ampex's expert reached a similar conclusion. The expert explained that Figure 3 illustrated the synchronization detection circuitry of the Saturn system. The witness compared Figure 3 with Figure 7, and explained that the thirty-bit complement detector of Williard's Figure 3 corresponded to the block comparator circuitry of the '533 patent, and that the thirty-bit prime sync detector of Williard's Figure 3 corresponded to the frame comparator circuitry of the '533 patent. He explained that the OR gate of Williard's Figure 3 corresponded to the OR gate 43 of the '533 patent. Each OR gate signaled if either the frame signal or the block signal was detected, the OR gate signal indicating that a frame was beginning. In an element-by-element comparison between the figures, the witness explained that each figure had two comparators, one shift register, and one OR gate.

Appendix A

FIG. 7



BEST AVAILABLE COPY

Appendix A

The evidence at trial was that the Synchronization Williard article taught the use of synchronization codes that were complements of each other and that the '533 specification also taught the use of complements. However, this article did not state that its choice of codes "exhibited a low cross-correlation function," as set forth in claim 1. The jury could have found this aspect in either the earlier Williard article (the Optimum Codes Williard article) or the Goode and Phillips article, both of which were in evidence at trial and discussed by at least one of the expert witnesses. Mitsubishi argues that the earlier Optimum Codes Williard article can not be relied on for rendering the combination obvious because in this earlier article Williard taught away from complements, while the Mitsubishi invention advocates the use of complements. Mitsubishi also argues that the Goode and Phillips article does not suggest combining its teachings with the Synchronization Williard article.

The Optimum Codes Williard article, in discussing the reasons for choosing a particular secondary synchronization pattern, states that "any secondary sync pattern, though not needing any special autocorrelation properties, should have minimum cross-correlation characteristics with the primary sync pattern." Williard explained that he did not know of any equipment designed to search independently for primary synchronization and secondary synchronization, but that "if such equipment were planned it would be desirable to choose a secondary sync pattern with good autocorrelation properties and also good cross-correlation properties with the primary sync pattern." After discussing the use of complements as a possible method of minimizing cross-correlation, the earlier Williard article discussed the advantages and disadvantages

of such a use, and stated that "complements are, therefore, never the answer." Summarizing his results, Williard stated that "[s]econdary sync patterns should always be chosen to minimize cross-correlation with prime sync patterns."

Mitsubishi argues that the earlier Optimum Codes Williard article teaches away from the later Williard article, and that they would not reasonably have been combined by a person of ordinary skill in the field. Mitsubishi stresses that Williard said "complements are never the answer" in his earlier article. However, Williard teaches the use of complements in his later article. The earlier article teaches that one should minimize the cross-correlation between primary and secondary synchronization patterns. Although the earlier article states that using complements is disadvantageous, the article considers complements in the context of minimizing cross-correlation. In his later article Williard teaches the use of complements in the context of a specific system, described by the expert as teaching the preferred embodiment of the '533 invention. On this evidence, a reasonable jury could have found that by employing complements in a system that, according to the Ampex expert, is not technologically different from that of the '533 patent, the teaching of Williard's later specific article superseded the broadly stated negative teaching of the earlier article.

The Goode and Phillips article also provides for the use of complements. Both the Goode and Phillips article and the Williard Synchronization article discuss synchronization codes for telemetry systems. The Goode and Phillips article describes the use of primary and secondary synchronization

codes and recommends that one should first choose a code with, among other things, a good autocorrelation function. Then, the article suggests using the complement of the first code, for the complement would have the same favorable properties as the first code, such as the same autocorrelation function. The Goode and Phillips article states: "When the original code is received a large positive spike is produced at sync time but when the complement of the original code is received an equally large negative spike is produced. Hence, both of these maximally distinguishable codes may be detected and separated in an efficient manner."

Mitsubishi argues that the Goode and Phillips article is inapposite, stating that Goode and Phillips discuss the concept of "cyclic" cross-correlation instead of the "non-periodic" cross-correlation of the '533 patent. However, Mitsubishi's expert, like the prosecution history, explained that the term "autocorrelation" is highly relevant to the cross-correlation of the codes. The expert testified that "autocorrelation is what you get if you calculate cross-correlation when the two things you are comparing are identical." He then explained that "instead of calling [this] cross-correlation, you call this autocorrelation, the comparison of a pattern with itself as you shift it in time against itself." The Ampex expert testified that the Goode and Phillips article disclosed codes with a small cross-correlation function. The Goode and Phillips article, like the '533 prosecution history, teaches that when choosing a primary and secondary synchronization pattern, one should first select a code with a good autocorrelation function and then select its complement. In view of the expert testimony and the documentary evidence, a reasonable jury could have

concluded that the Goode and Phillips article would have taught one of ordinary skill in the field to use complementary synchronization codes and that such codes would have exhibited a small (or low) cross-correlation function, as claimed in the '533 patent.

We have carefully considered Mitsubishi's criticisms of the evidence of obviousness. We conclude that the suggestion to combine the subject matter of the Synchronization Williard article with code patterns exhibiting a low cross-correlation function could reasonably have been found in the Optimum Codes Williard article or the Goode and Phillips article. On the evidence and the explanations of the expert witnesses, a reasonable jury could have concluded that the second Williard article in combination with either the first Williard article or the Goode and Phillips article provided all of the elements of the claimed invention, and that the invention as a whole would have been obvious to a person of ordinary skill in this specialized field.

In denying Mitsubishi's post-trial motions the district court remarked: "what you had in this case was two competing scientific technological witnesses, one of whom claimed that the invention was invalid . . . and the other who claimed it was not." The court commented that "the jury apparently chose to believe the one witness over the other." We take the district court's remark as a forthright evaluation of the proceedings at trial. It is well recognized that the persuasiveness of the presentation of complex technology-based issues to lay persons depends heavily on the relative skill of the experts. See generally Kumho Tire Co. v. Carmichael, 526 U.S. 137, 119 S.Ct. 1167, 143 L.Ed.2d 238

(1999); Daubert v. Merrell Dow Pharmaceuticals, Inc., 509 U.S. 579, 113 S.Ct. 2786, 125 L.Ed.2d 469 (1993); Fed.R.Evid. 702 ("If scientific, technical, or other specialized knowledge will assist the trier of fact to understand the evidence or to determine a fact in issue, a witness qualified as an expert by knowledge, skill, experience, training, or education, may testify thereto in the form of an opinion or otherwise."). The issue at trial was the conclusions to be drawn from the evidence, raising issues of evaluation, weight, and, as the trial judge remarked, credibility. On appeal, the admissibility of the scientific and technologic evidence presented by the experts for both sides is not challenged. We conclude that the judgment of invalidity on the ground of obviousness is supported by the evidence and must be affirmed. We thus do not reach the other grounds of invalidity. The conditional cross-appeal is dismissed.

Costs

Costs to Ampex.

AFFIRMED

APPENDIX B — ORDER OF THE UNITED STATES DISTRICT COURT FOR THE CENTRAL DISTRICT OF CALIFORNIA DENYING PLAINTIFF'S MOTION FOR JUDGMENT AS A MATTER OF LAW OR FOR A NEW TRIAL DATED AND FILED JUNE 30, 1997

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

CV 95-8236-ER (VAPx)

MITSUBISHI ELECTRIC CORP.,

Plaintiff,

v.

AMPEX CORP.,

Defendant.

ORDER DENYING PLAINTIFF'S MOTION FOR JUDGMENT AS A MATTER OF LAW OR FOR A NEW TRIAL

Plaintiff Mitsubishi's Motion for Judgment as a Matter of Law, or in the Alternative for a New Trial, came before the Honorable Edward Rafeedie on June 30, 1997, in Courtroom 1. The Court, having read and considered the papers filed in support of and in opposition to the motion, and having considered oral argument of counsel, HEREBY DENIES the motion for the reasons stated in open Court, as reflected in the court reporter's notes.

Appendix B

IT IS SO ORDERED.

IT IS FURTHER ORDERED that the Clerk of the Court shall serve, by telefax or by United States mail, copies of this Order on counsel for the parties in this matter.

Dated: June 30, 1997

s/ Edward Rafeedie
EDWARD RAFEEDIE
Senior United States District Judge

APPENDIX C — SPECIAL VERDICT FORM OF THE UNITED STATES DISTRICT COURT FOR THE CENTRAL DISTRICT OF CALIFORNIA DATED AND FILED MARCH 26, 1997

IN THE UNITED STATES DISTRICT COURT
FOR THE CENTRAL DISTRICT OF CALIFORNIA

CASE NO. 95-8236 ER (VAPx)

MITSUBISHI ELECTRIC CORPORATION,
a Japanese corporation,

Plaintiff,

vs.

AMPEX CORPORATION,
a Delaware corporation,

Defendant.

SPECIAL VERDICT FORM

SPECIAL VERDICT

We, the jury, unanimously find as follows:

I. *INFRINGEMENT*

1. Do you find that plaintiff Mitsubishi has shown by a preponderance of the evidence that defendant Ampex's making, use or sale of the VPR and DCT product lines

literally infringes the claim of the '533 patent? (A "YES" answer to this question is a finding for Mitsubishi. A "NO" answer is a finding for Ampex.)

Yes	No
✓	

If your answer to question number 1 is "Yes," skip question number 2 and proceed to question number 3. If your answer to question number 1 is "No," proceed to question number 2.

2. Do you find that plaintiff Mitsubishi has shown by a preponderance of the evidence that defendant Ampex's making, use or sale of the VPR and DCT product lines infringe the claim of the '533 patent under the doctrine of equivalents? (A "YES" answer to this question is a finding for Mitsubishi. A "NO" answer is a finding for Ampex.)

N/A

3. Do you find that plaintiff Mitsubishi has shown by a preponderance of the evidence that defendant Ampex's making, use or sale of the VPR, DCT, DIS, and DST product lines literally infringes any one of the following claims of the '612 patent? (A "YES" answer to this

question is a finding for Mitsubishi. A "NO" answer is a finding for Ampex.)

	Yes	No
Claim 1	___	✓
Claim 2	___	✓
Claim 3	___	✓
Claim 11	___	✓

If your answer with respect to each claim in question number 3 is "Yes," skip question number 4 and proceed to question number 5. If your answer to any claim in question number 3 is "No," proceed to question number 4 and answer it only as to those claims.

4. Do you find that plaintiff Mitsubishi has shown by a preponderance of the evidence that defendant Ampex's making, use or sale of the VPR, DCT, DIS, and DST product lines infringes any one of the following claims of the '612 patent under the doctrine of equivalents?

(A "YES" answer to this question is a finding for Mitsubishi. A "NO" answer is a finding for Ampex.)

	Yes	No
Claim 1	___	✓
Claim 2	___	✓
Claim 3	___	✓
Claim 11	___	✓

II. *WILLFUL INFRINGEMENT*

Answer question number 5 if you have answered one of questions 1 or 2 "Yes." Otherwise, skip this question and proceed to question number 6.

5. Do you find that plaintiff Mitsubishi has shown by clear and convincing evidence that defendant Ampex willfully infringed the '533 patent? (A "YES" answer to this question is a finding for Mitsubishi. A "NO" answer is a finding for Ampex.)

Yes	No
___	✓

Appendix C

Answer question number 6 if you have answered either question 3 or 4 "Yes" as to any claim. Otherwise, skip this question and proceed to question number 7.

6. Do you find that plaintiff Mitsubishi has shown by clear and convincing evidence that defendant Ampex willfully infringed the '612 patent? (A "YES" answer to this question is a finding for Mitsubishi. A "NO" answer is a finding for Ampex.)

N/A

III. *VALIDITY*

7. Do you find that defendant Ampex has shown by clear and convincing evidence that claim 1 of the '533 patent is invalid? (A "YES" answer to this question is a finding for Ampex. A "NO" answer is a finding for Mitsubishi.)

Yes	No
✓	___

8. Do you find that defendant Ampex has shown by clear and convincing evidence that any one of the following claims of the '612 patent is invalid? (A "YES" answer to

this question is a finding for Ampex. A "NO" answer is a finding for Mitsubishi.)

	Yes	No
Claim 1	✓	___
Claim 2	✓	___
Claim 3	✓	___
Claim 11	✓	___

IV. *DAMAGES*

Answer question 9 if you found that the '533 patent was infringed and not invalid, or that any claim of the '612 patent was infringed and not invalid, or both.

9. If you found any of the claims of the '533 and '612 patents infringed, and you did not find such claim or claims to be invalid, what amount of damages in the form of a reasonable royalty do you find plaintiff Mitsubishi has proven by a preponderance of the evidence:

Damages: $ N/A

Dated: March 26, 1997, at Los Angeles, California.

s/ [illegible]
Foreperson

APPENDIX D — ORDER OF THE UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT DENYING PETITION FOR REHEARING DATED AND FILED NOVEMBER 1, 1999

UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

ORDER

A combined petition for rehearing and suggestion for rehearing en banc having been filed by the APPELLANT, and a response thereto having been invited by the court and filed by the CROSS-APPELLANT, and the petition for rehearing having been referred to the panel that heard the appeal, and thereafter the suggestion for rehearing en banc and response having been referred to the circuit judges who are in regular active service,

UPON CONSIDERATION THEREOF, it is

ORDERED that the petition for rehearing be, and the same hereby is, DENIED and it is further

ORDERED that the suggestion for rehearing en banc be, and the same hereby is, DECLINED.

The mandate of the court will issue on November 8, 1999.

Appendix D

FOR THE COURT,

s/ Jan Horbaly (AV)
Jan Horbaly
Clerk

Dated: November 1, 1999

MITSUBISHI ELECTRIC V AMPEX CORP, 97-1502, -1538
(DCT – 95-CV-8236)

Supreme Court, U.S.
FILED
MAR 2 - 2000
CLERK

(2)

No. 99-1287

IN THE

Supreme Court of the United States

MITSUBISHI ELECTRIC CORPORATION,

Petitioner,

v.

AMPEX CORPORATION,

Respondent.

ON PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

BRIEF IN OPPOSITION FOR RESPONDENT

ROBERT C. MORGAN
FISH & NEAVE
1251 Avenue of the Americas
New York, New York 10020
(212) 596-9000

NORMAN H. BEAMER
Counsel of Record
KURTIS D. MACFERRIN
FISH & NEAVE
525 University Avenue
Palo Alto, California 94301
(650) 617-4000

Attorneys for Respondent

158257

Counsel Press LLC
(800) 274-3321 • (800) 359-6859

30pp

TABLE OF CONTENTS

	Page
Table of Cited Authorities	ii
Statement of the Case	1
Reasons for Denying the Writ	6
I. Mitsubishi Not Only Waived Its Right To Complain That The Verdict Form Was Too General, It Invited The Very Error About Which It Now Complains	6
II. The Federal Circuit's Holding Of Waiver Is Based On Sound Precedent	10
A. The Federal Circuit Waiver Authorities	11
B. Ninth Circuit Authority Also Supports Waiver	13
C. The Federal Circuit's Waiver Holding Is Soundly Based On Policy	15
III. The Federal Circuit's Holding Of Waiver Raises No Seventh Amendment Concerns	18
Conclusion	21

TABLE OF CITED AUTHORITIES

Page

Cases:

Anderson v. Cryovac, Inc., 862 F.2d 910 (1st Cir. 1988) 19

Atmel Corp. v. Information Storage Devices, Inc., 198 F.3d 1374 (Fed. Cir. 1999) 6

Bio-Rad Labs., Inc. v. Nicolet Instrument Corp., 739 F.2d 604 (Fed. Cir. 1984), *overruled on other grounds by Markman v. Westview Instruments, Inc.*, 52 F.3d 967 (Fed. Cir. 1995) 6

Burgess v. Premier Corp., 727 F.2d 826 (9th Cir. 1984) 17, 19

City of Springfield v. Kibbe, 480 U.S. 257, 107 S. Ct. 1114, 94 L. Ed. 2d 293 (1987) 20

Dixson v. Newsweek, Inc., 562 F.2d 626 (10th Cir. 1977) 17

Geneva County Bd. of Educ. v. CNA Ins. Co., 874 F.2d 1491 (11th Cir. 1989) 17

Griffin v. United States, 502 U.S. 46, 112 S. Ct. 466, 116 L. Ed. 2d 371 (1991) 4

Hoechst Celanese Corp. v. BP Chems. Ltd., 78 F.3d 1575 (Fed. Cir. 1996) 11, 12, 15, 20

Cited Authorities

Page

Hupp v. Siroflex of Am., Inc., 122 F.3d 1456 (Fed. Cir. 1997) 10

In re Innovative Constr. Sys., Inc., 793 F.2d 875 (7th Cir. 1986) 20

International Meat Traders, Inc. v. H & M Food Sys., 70 F.3d 836 (5th Cir. 1995) 19

Kloepfer v. Honda Motor Co., 898 F.2d 1452 (10th Cir. 1990) 17, 19

Landes Constr. Co. v. Royal Bank of Canada, 833 F.2d 1365 (9th Cir. 1987) 16

Larson v. Neimi, 9 F.3d 1397 (9th Cir. 1993) 10

Maryland v. Baldwin, 112 U.S. 490, 5 S. Ct. 278, 28 L. Ed. 822 (1884) 2, 3, 10

Mateyko v. Felix, 924 F.2d 824 (9th Cir. 1991) ... 10

McCord v. Maguire, 873 F.2d 1271, *amended by* 885 F.2d 650 (9th Cir. 1989) 13, 14, 15

Neely v. Club Med Management Servs., Inc., 63 F.3d 166 (3d Cir. 1995) 20

Neu v. Grant, 548 F.2d 281 (10th Cir. 1977) 9

Cited Authorities

	Page
Newell Cos. v. Kenney Mfg. Co., 864 F.2d 757 (Fed. Cir. 1988)	18
Orthokinetics, Inc. v. Safety Travel Chairs, Inc., 806 F.2d 1565 (Fed. Cir. 1986)	6
Palmer v. Hoffman, 318 U.S. 109, 63 S. Ct. 477, 87 L. Ed. 645 (1943)	20
Panduit Corp. v. All States Plastic Mfg. Co., 744 F.2d 1564 (Fed. Cir. 1984)	13
Play Time, Inc. v. LDDS Metromedia Communications, Inc., 123 F.3d 23 (1st Cir. 1997)	20
Putnam Resources v. Pateman, 958 F.2d 448 (1st Cir. 1992)	19
Railroad Dynamics, Inc. v. A. Stucki Co., 727 F.2d 1506 (Fed. Cir. 1984)	16
Royal Typewriter Co. v. Xerographic Supplies Corp., 719 F.2d 1092 (11th Cir. 1983)	3, 15
Sunkist Growers, Inc. v. Winckler & Smith Citrus Prods. Co., 370 U.S. 19, 82 S. Ct. 1130, 8 L. Ed. 2d 305 (1962)	2, 3, 10, 13

Cited Authorities

	Page
Toth v. Corning Glass Works, 411 F.2d 912 (6th Cir. 1969)	17
Transamerica Premier Ins. Co. v. Ober, 107 F.3d 925 (1st Cir. 1997)	8
United States v. Moore, 340 U.S. 616, 71 S. Ct. 524, 95 L. Ed. 2d 582 (1951)	19
Weinar v. Rollform, Inc., 744 F.2d 797 (Fed. Cir. 1984)	12, 13, 15
Rules:	
Fed. R. Civ. P. 38	18
Fed. R. Civ. P. 38(d)	18
Fed. R. Civ. P. 46	8
Fed. R. Civ. P. 49	18, 20
Fed. R. Civ. P. 49(a)	19
Fed. R. Civ. P. 51	18, 20
United States Supreme Court Rule 10	1

Cited Authorities

Page

United States Constitution:

Sixth Amendment 4

Seventh Amendment 3, 4, 18, 19

Other Authorities:

9 James Wm. Moore et al., *Moore's Federal Practice* ¶ 49.20[5] (3d ed. 1997) 16

9A Charles A. Wright & Arthur R. Miller, *Federal Practice and Procedure* § 2505 (2d ed. 1995) 16

ABBREVIATIONS

In this brief, the following abbreviations and format are used:

Mitsubishi	Petitioner, Mitsubishi Electric Corporation
Ampex	Respondent, Ampex Corporation
'533 patent	U.S. Patent No. 4,665,533
A___	Citation to the Joint Appendix on appeal (referred to pursuant to Supreme Ct. Rule 12.7)
A343, *121:21-122:7*	Example of citation to trial transcript (at page 343 of the Appeal Appendix: transcript page 121, line 21 through page 122, line 7) (referred to pursuant to Supreme Ct. Rule 12.7)
A-Br. ___	Citation to the corresponding page of the Brief for Appellee, Ampex Corporation, filed in the Federal Circuit appeal (referred to pursuant to Supreme Ct. Rule 12.7)
M-Pet. ___	Citation to the corresponding page of Petitioner Mitsubishi Electric Corporation's Petition for a Writ of Certiorari

Abbreviations

App. ___	Citation to the corresponding page of the Appendices accompanying Petitioner Mitsubishi Electric Corporation's Petition for a Writ of Certiorari

STATEMENT OF THE CASE

Mitsubishi's Petition for a Writ of Certiorari should be denied. The issue presented by Mitsubishi's Petition is a straightforward example of a party not only waiving its right to assert an alleged ground for a new trial, but also inviting the Trial Court to take the very action of which it now complains. Mitsubishi's attacks on the Federal Circuit's Opinion as "remarkable," "bizarre" and "dangerous" (M-Pet. 2, 7, 12) should be summarily rejected.

As stated in this Court's Rule 10:

> Review on a writ of certiorari is not a matter of right, but of judicial discretion. A petition for a writ of certiorari will be granted only for compelling reasons. . . .
>
> * * * *
>
> A petition for a writ of certiorari is rarely granted when the asserted error consists of erroneous factual findings or the misapplication of a properly stated rule of law.

Contrary to Mitsubishi's characterization of the Federal Circuit's decision, it is not contrary to this Court's precedent, in conflict with the law of any other Circuit, a retroactive imposition of new law, nor even a misapplication of the properly stated law of this Court.

The Federal Circuit not only properly stated, but also properly applied, this Court's "multiple-claims-single-verdict" ground for new trial. As the Federal Circuit

recognized (App. 6a-7a), the applicable law of this Court includes *Sunkist Growers, Inc. v. Winckler & Smith Citrus Prods. Co.*, 370 U.S. 19, 82 S. Ct. 1130, 8 L. Ed. 2d 305 (1962) and *Maryland v. Baldwin*, 112 U.S. 490, 5 S. Ct. 278, 28 L. Ed. 822 (1884). As the Federal Circuit correctly summarized (App. 6a):

> The Supreme Court has ruled that when liability is argued to the jury on alternate legal theories, one of which is not legally correct or is not a permissible jury question, a general verdict of liability can not stand lest it have been based on the incorrect or impermissible theory.[1]

The Federal Circuit then went on to hold that Mitsubishi had waived the right to invoke the multiple-claims-single-verdict ground for new trial, by failing to timely object to the verdict form (App. 8a). Mitsubishi's attack on the Federal Circuit's waiver holding is particularly inappropriate given that Mitsubishi not only acquiesced in, but encouraged, the use of the verdict form that Mitsubishi attacks. That form had a single question on validity. The Trial Court's rejection of Mitsubishi's first proposed verdict form was not because it had separate questions on anticipation and obviousness.[2] It was Mitsubishi's decision, not any requirement of the Trial Court, to drop the separate questions and submit instead only a single question on validity. Moreover, Mitsubishi declined to join with Ampex, when Ampex proposed the form of verdict Mitsubishi now says should have been used. Only after it lost the jury verdict and a jury had been discharged

---

1. The Federal Circuit also correctly stated that this principle is applied to multiple claims as well as multiple theories (App. 7a).

2. As discussed *infra*, even Mitsubishi's original form left out any separate question on indefiniteness.

did Mitsubishi complain that the verdict form does not reveal whether the jury reached its verdict based on all or less than all of the grounds submitted to it. This hardly presents a case that merits a Writ of Certiorari from this Court.

Moreover, far from being "[c]ontrary to more than 100 years of precedent of this Court," or "in conflict with . . . prior decisions of this Court" (M-Pet. 2), the Federal Circuit's holding is in accord with longstanding authority that the Seventh Amendment right to a jury trial may be waived if not properly invoked. There is no hint in *Sunkist, Baldwin*, or any other holding of this Court that waiver would apply any differently to the Seventh Amendment implications of the multiple-claims-single-verdict ground, than waiver applies to any other aspect of Seventh Amendment jurisprudence.

In addition, the Federal Circuit's waiver holding in no way "retroactively imposed [a] new requirement" on Mitsubishi (M-Pet. 2). To the contrary, the precedent of the two Circuits with a stake in this action — the Federal Circuit and the Ninth Circuit — squarely provides for waiver under the circumstances present in this case. The Federal Circuit's holding that Mitsubishi waived any right to rely on a multiple-claims-single-verdict ground for review or new trial was a routine application of this well established precedent. And Mitsubishi's reliance on the Seventh Circuit decision *Royal Typewriter*, as supposedly in conflict with the Federal Circuit's holding, is misplaced.[3]

Mitsubishi further argues against the Federal Circuit's waiver holding on the incorrect premise that it somehow

---

3. *Royal Typewriter Co. v. Xerographic Supplies Corp.*, 719 F.2d 1092 (11th Cir. 1983) (M-Pet. 8).

conflicts with the law that a Trial Court has broad discretion in decisions concerning the verdict form. (M-Pet. 3). But this law, as uniformly followed in the respective Circuits, provides that the Trial Court's decisions concerning the verdict form are reviewable for abuse of discretion, and further holds that any objection to the Trial Court's decisions are waived if not timely raised. Thus, this law supports the Federal Circuit's holding of waiver.

Mitsubishi's assertion that somehow the Federal Circuit's ruling "impairs the right to trial by jury under the Seventh Amendment" (M-Pet. 3) turns the issue here on its head. It is Mitsubishi that is attempting to vitiate a jury verdict soundly based on fact and law, by urging a purported flaw in the verdict form which Mitsubishi itself created. It is Mitsubishi that attempts to now deprive Ampex of the jury's verdict. As this Court has held in analogous circumstances, likewise rejecting assertions that the right to a jury trial under the Constitution was impinged: "the alleged defect here is not that a jury determination was denied but rather that a jury determination was permitted."[4] There is no curtailment of Seventh Amendment rights when a party waives an objection to some aspect of how issues were presented to the jury. That is true whether the aspect involved is jury instructions, evidence admitted, issues put to the jury, or, as here, the specificity of a jury verdict form.

Mitsubishi also predicts that the Federal Circuit's decision "creates an open invitation for trial courts to favor the use of general verdict forms" that will "stimulat[e] the

---

4. *Griffin v. United States*, 502 U.S. 46, 48, 112 S. Ct. 466, 469, 116 L. Ed. 2d 371 (1991). *Griffin* was a criminal case and concerned the analogous jury trial right under the Sixth Amendment. *Id.*

use of general verdicts" (M-Pet. 4). Not so. The rule that the multiple-claims-single-verdict ground for new trial is waived if not timely objected to discourages parties like Mitsubishi from taking a "wait and see" approach to errors they perceive in the verdict form. By requiring a party to object in a timely manner, the Trial Court has the opportunity to adopt a more specific verdict form, if warranted, thus avoiding the very problem that Mitsubishi purports to be concerned about. On the other hand, if Mitsubishi had its way, parties would be encouraged to hold back objections, allow the supposedly inadequate general form to be used, remain silent until after discharge of the jury, and then force an expensive, wasteful new trial if the verdict does not favor them.

Finally, Mitsubishi incorrectly assumes that, in this case, not all grounds for invalidity were supported. To the contrary, the Federal Circuit found, in upholding the Trial Court's judgment, that "Mitsubishi . . . has not shown that any ground of invalidity was improperly presented for jury verdict" (App. 7a). After concluding that Mitsubishi had waived its new trial ground, the Federal Circuit noted that "[n]onetheless, we have reviewed the evidentiary basis for issues on which Mitsubishi relies in its argument that there was not substantial evidence to support the jury verdict" (App. 8a-9a).

Thus, contrary to Mitsubishi's characterization, the Federal Circuit did ***not*** hold that a general verdict should be upheld "if any *one* theory is supported by substantial evidence" (M-Pet. 3). Rather, the Federal Circuit held that Mitsubishi ***waived*** invocation of the multiple-claims-single-

verdict ground for a new trial, and that all invalidity grounds were supported, in any event.[5]

REASONS FOR DENYING THE WRIT

I. MITSUBISHI NOT ONLY WAIVED ITS RIGHT TO COMPLAIN THAT THE VERDICT FORM WAS TOO GENERAL, IT INVITED THE VERY ERROR ABOUT WHICH IT NOW COMPLAINS

As is common in patent cases, the Trial Court here provided the jury with a special verdict form that asked the

---

5. The Federal Circuit's holding that "Mitsubishi . . . has not shown that any ground of invalidity was improperly presented for jury verdict" (App. 7a), applies to both patents. Mitsubishi's Petition makes clear that it only relates to one of the two patents-in-suit, the '533 patent (M-Pet. 5). The Federal Circuit specifically discussed one of Ampex's three invalidity defenses to the '533 patent (the obviousness defense), and stated that "[w]e thus do not reach the other grounds of invalidity" (App. 29a).

Mitsubishi's Petition refers particularly to the '533 indefiniteness ground for invalidity (M-Pet. 5, n.2). Mitsubishi never submitted a verdict form that included a question on indefiniteness. Moreover, as demonstrated in Ampex's Appeal Brief, there was no error in submitting indefiniteness to the jury, and the jury's invalidity verdict is amply supported by the evidence on indefiniteness (A-Br. 23-29). *Bio-Rad Lab., Inc. v. Nicolet Instrument Corp.*, 739 F.2d 604, 613 (Fed. Cir. 1984), *overruled on other grounds by Markman v. Westview Instruments, Inc.*, 52 F.3d 967, 977 (Fed. Cir. 1995); *Orthokinetics, Inc. v. Safety Travel Chairs, Inc.*, 806 F.2d 1565, 1576 (Fed. Cir. 1986). Mitsubishi errs in asserting that its position was somehow "proven correct" by the Federal Circuit's holding in *Atmel Corp. v. Information Storage Devices, Inc.*, 198 F.3d 1374 (Fed. Cir. 1999). That case merely held that indefiniteness is a question of law, and in no way conflicts with the ample precedent that indefiniteness may be tried to the jury.

jury whether Ampex had proved each patent in suit invalid by clear and convincing evidence and whether Mitsubishi had proven infringement by a preponderance of the evidence.[6] As is also typical, Ampex's invalidity defense as to each patent was based on more than one ground of invalidity. For the '533 patent, Ampex raised anticipation, obviousness and indefiniteness defenses. After the jury found both its patents invalid, and after the jury was discharged, Mitsubishi raised for the first time in its post-trial motions its multiple-claims-single-verdict argument as grounds for a new trial. As the Federal Circuit explained (App. 6a):

> Mitsubishi states that if any one of these three grounds was erroneously submitted for jury verdict, the verdict must be vacated and a new trial granted because it is not possible for the appellate court to know whether the verdict was founded on the ground that was submitted in error.

Having explained the principle, the Federal Circuit explained why it did not apply here. First, because Mitsubishi waived the right to raise any such issue by failing to object to — indeed it proposed — the verdict form used by the Trial Court; and second, because Ampex submitted substantial evidence to support each of its grounds for invalidity (App. 7a-9a).

Mitsubishi's "Prior Proceedings" section of its Petition obscures these basic facts (M-Pet. 5-7). Contrary to Mitsubishi's version of the events below, Mitsubishi proposed the special verdict form that it now asserts did not

6. Mitsubishi's proposed verdict form, and the final form used by the Trial Court, were entitled "Special Verdict" (App. 32a; A857 (D.I. 602); A12823-24). The Trial Court instructed the jury that it was being given a special verdict (A518, *101:10-13, 103:9-10*).

reveal the grounds for the jury's verdict, thus creating the very problem of which it now complains.

Mitsubishi incorrectly characterizes the jury form that was used by the Trial Court as "Ampex's general verdict form" (M-Pet. 5). In fact Mitsubishi submitted the proposed form, with a single question directed to validity, that in all pertinent respects is the form filled out by the jury (App. 32a-37a; A12823-27). As Mitsubishi's counsel told the Trial Court below (A505, *51:9-10*):

> [T]his [form] is basically something I wrote and [was] slightly modified by the other side.

This final form that Mitsubishi proposed, adopted by the Trial Court, was the culmination of Mitsubishi's consistent approach to the jury verdict form, and was in contrast to Ampex's approach, which itemized the various grounds for Ampex's invalidity defense.

Mitsubishi first submitted a form which included a special verdict on anticipation and obviousness of the '533 patent, but included nothing on Ampex's argument that the '533 patent claim was indefinite — the very ground it now complains was not included in the final verdict form (M-Pet. 5, n.2; A7996-8000).[7] In contrast, Ampex's proposed

---

7. Under the circumstances here, despite Mitsubishi's suggestion otherwise, this does not come close to satisfying the requirements of Fed. R. Civ. P. 46, requiring a party to make known to the Court any objection in order to preserve that objection. (M-Pet. 6, n. 4). *Transamerica Premier Ins. Co. v. Ober*, 107 F.3d 925, 933 (1st Cir. 1997) (objection to special verdict form waived, notwithstanding that party proposed an alternative verdict form); (Cont'd)

verdict form required the jury to explicitly set out its verdict on each of Ampex's invalidity grounds, including anticipation, obviousness and indefiniteness (Docket Item 585, listed at A855).

During trial, the Court stated its preference for the order of issues in Mitsubishi's proposed form, but also cautioned the parties against the use of a general verdict in patent cases (App. 8a; A489-90, *154:1-155:10*). Mitsubishi then submitted its final proposed form, which voluntarily eliminated the separate questions on anticipation and obviousness and included only a single question on validity (A12823-27).

Mitsubishi's decision to change the proposed jury form to include a single question on validity was its own decision, not a requirement of the Trial Court. Mitsubishi never objected to any lack of itemization in the jury verdict form, that Mitsubishi itself proposed, and which the Trial Court adopted at Mitsubishi's urging. Even after the Trial Court, in its discretion, ruled that the indefiniteness issue would be decided by the jury (A470-71, *77:22-79:16*), Mitsubishi made no attempt to include in the jury form a special verdict question on indefiniteness. Nor did Mitsubishi suggest, until its post-trial motions brought after the jury was dismissed, that the jury verdict might be challengeable on a multiple-claims-single-verdict ground, based on the alleged generality of the jury form.[8]

(Cont'd)
Neu v. Grant, 548 F.2d 281, 287 (10th Cir. 1977) ("An appellant may not complain on appeal of errors which he himself induced or invited.").

8. After the jury returned its verdict, but before it was discharged, Mitsubishi could have requested that the Trial Court submit an amended verdict form if it wanted clarification of the

(Cont'd)

Whether Mitsubishi's actions are viewed as waiver or as the cause of the very action by the Trial Court about which it now complains, Mitsubishi is in no position to urge that Ampex now be deprived of the jury's verdict of invalidity.

II. THE FEDERAL CIRCUIT'S HOLDING OF WAIVER IS BASED ON SOUND PRECEDENT

Mitsubishi asserts that the Federal Circuit's waiver holding was "never previously imposed by this or any other federal court" (M-Pet. 2, also M-Pet. 7). Mitsubishi is incorrect. There is ample precedent in the Circuits for requiring a party to object to the form of verdict as a prerequisite to invoking the multiple-claims-single-verdict ground for review and a new trial. Also, notwithstanding Mitsubishi's unsupported assertions, there is nothing in *Sunkist, Baldwin*, or any other holding of this Court that in any way conflicts with the precedents that were followed here. Mitsubishi thus has no justification for asserting that it "understood that" it could invoke the multiple-claims-single-verdict ground notwithstanding that it failed to object to the lack of specificity of the jury form (M-Pet. 8). The waiver rule has been well established — especially in circumstances such as these, where the waiving party invited the Court to use the very verdict form it subsequently objects to.

(Cont'd)
grounds for the verdict. It did not. *Hupp v. Siroflex of Am., Inc.*, 122 F.3d 1456, 1464 (Fed. Cir. 1997); *Mateyko v. Felix*, 924 F.2d 824, 827 (9th Cir. 1991); *Larson v. Neimi*, 9 F.3d 1397, 1401 (9th Cir. 1993).

A. The Federal Circuit Waiver Authorities

Hoechst Celanese Corp. v. BP Chems. Ltd., 78 F.3d 1575 (Fed. Cir. 1996), on which the Federal Circuit relied (App. 8a), is precisely on point. There, the jury was presented with a single question on infringement. The patentee had asserted infringement liability on two theories: literal infringement and infringement under the doctrine of equivalents. The defendant/appellant had objected that it was improper to present the doctrine of equivalents issue to the jury and had proposed a verdict form with only a single question on infringement. The Trial Court adopted the defendant's form. When apprised that equivalents would be presented to the jury, defendant/appellant did not propose that a question regarding equivalents be added to the form or object to the form. After the jury found infringement, defendant/appellant moved for a new trial, arguing that (*Hoechst*, 78 F.3d at 1581):

> [A] new trial is required because the jury was not asked to distinguish between literal infringement and infringement by equivalency. [The defendant] states that because it is possible that the jury relied on an inapplicable theory of infringement, the verdict must be discarded.

The Federal Circuit rejected that argument in terms directly applicable here (*id.*):

> [Plaintiff] had proposed the submission to the jury of separate questions on literal infringement and infringement by equivalency, while [defendant] did not propose separate questions. The judge selected the [defendant's] form of

> verdict. The specificity of the verdict is within the discretion of the trial judge. [Defendant] concedes that it had proposed the form of the verdict that was used, and states that the reason it did not propose a separate question on equivalency was because of its position that equivalency was an equitable matter and not for the jury. However, [defendant] was fully apprised that the jury was instructed on infringement by equivalency, and that the issue had been presented by witnesses at trial. . . .
>
> ***[Defendant] by its acquiescence in and indeed by its proposal of the verdict form waived objection to the verdict form.***

(Emphasis supplied, citations omitted). The Federal Circuit thus specifically noted that "the specificity of the verdict is within the discretion of the trial judge" and then went on to hold that the defendant had waived any reliance on a multiple-claims-single-verdict ground on appeal.

Mitsubishi, like the defendant/appellant in *Hoechst*, proposed the verdict form used by the Trial Court, failed to object to that form, and remained silent concerning the form until it was too late for the other party or the Trial Court to do anything about it.

The Federal Circuit's ruling in *Weinar v. Rollform, Inc.*, 744 F.2d 797 (Fed. Cir. 1984), also is precedent for the Federal Circuit's waiver holding. Just as was done here, a jury verdict form was used which only required the jury to determine whether the patent in suit was valid or invalid. The jury found the patent invalid, and the patentee, just as Mitsubishi does here, argued that it was impossible to know

on which ground the invalidity verdict was based. The Federal Circuit rejected the argument, noting the appellant's failure to object to the non-itemized form used by the Trial Court. The Federal Circuit held that any objection which the patentee may have had was waived and was "invited error," because the appellant had proposed the non-itemized jury form. *Id.* at 809.

B. Ninth Circuit Authority Also Supports Waiver

The Federal Circuit's Opinion also looked to the applicable precedent of the Ninth Circuit, the Regional Circuit from which this appeal arose (App. 8a).[9] In particular, the Federal Circuit correctly relied on *McCord v. Maguire*, 873 F.2d 1271, *amended by* 885 F.2d 650 (9th Cir. 1989). In *McCord*, plaintiff brought a negligence action based on eight different theories of liability. After a general verdict finding negligence, the defendant/appellant sought a new trial, arguing that four of the eight negligence grounds lacked evidentiary support. The Ninth Circuit rejected this argument for two independent grounds. First, the Court applied a Ninth Circuit exception to the *Sunkist* multiple-claims-single-verdict rule, to the effect that if the verdict rested on multiple alternative factual grounds (as opposed to alternative legal theories), then the verdict would stand if any one factual basis had sufficient evidentiary support. *McCord*, 873 F.2d at 1273-74.

Importantly, however, the Ninth Circuit also relied on an independent ground to reject the new trial application: that the appellant ***waived*** the right to argue the multiple-

9. *Panduit Corp. v. All States Plastic Mfg. Co.*, 744 F.2d 1564, 1574-75 (Fed. Cir. 1984) (law of the Regional Circuit applies to procedural issues which are not unique to patent law).

claims-single-verdict basis for a new trial because it had not requested a special verdict that itemized each negligence ground. The Ninth Circuit held, in terms especially apposite here (*McCord*, 873 F.2d at 1274):

> Litigants . . . who wish to challenge the sufficiency of evidence as to some, but not all, specifications of negligence must present an appropriate record for review by asking the jury to make separate factual determinations as to each specification. Any other rule would unnecessarily jeopardize jury verdicts that are otherwise fully supported by the record on the mere theoretical possibility that the jury based its decision on unsupported specifications. We will not allow litigants to play procedural brinkmanship with the jury system and take advantage of uncertainties they could well have avoided.

Here, Mitsubishi also resorted to just such "procedural brinkmanship." Instead of properly objecting to the verdict form used by the Trial Court, it proposed that form, and then sat back and waited to see whether or not the jury would rule in its favor. When the jury returned its verdict of invalidity, Mitsubishi still kept silent, rather than asking for a more particularized itemization of the invalidity grounds before the jury was discharged. Only after it was too late did Mitsubishi seek to address the perceived problem, by demanding a new trial. Mitsubishi's Petition should be denied for the same reason as in *McCord*: Mitsubishi has waived the right to challenge the sufficiency of some, but not all, of the grounds for invalidity.

In the face of this extensive precedent, Mitsubishi glibly asserts that the "only reported decision" on point is in ***its***

favor: *Royal Typewriter*, 719 F.2d at 1098-99. Mitsubishi relies on *Royal Typewriter* as supposedly "flatly reject[ing] the proposition" that "the standard of review required by *Sunkist* can be waived" (M-Pet. 8). Not so — that issue was not before the Court in *Royal Typewriter*. Rather, the Court rejected an argument that the appellant should not have been allowed to rely on the multiple-claims-single-verdict rule because it had forced the Court below to adopt a general verdict by proposing a special verdict form that was too complicated. There was no issue or discussion of waiver as a result of failing to object to the verdict form used, or failing to call to the Court's attention the problem that the general verdict form might present on appeal. *Royal Typewriter* has no applicability to the waiver issue presented here.

C. The Federal Circuit's Waiver Holding Is Soundly Based On Policy

Mitsubishi tries to avoid these precedents by positing that it isn't really objecting to the jury form, but rather is merely invoking a standard of review for verdicts based on multiple theories. The Federal Circuit saw through this semantic game, and soundly rejected it (App. 8a). There is no distinction between the circumstances here and those of *Hoechst*, *Weinar* or *McCord*. In substance, the effect of Mitsubishi's invocation of the multiple-claims-single-verdict ground for new trial is an objection to the specificity of the jury form, which objection is waived if not timely raised.

Mitsubishi attacks these preeedents by pointing out that the selection of a jury verdict form is a matter of discretion of the Trial Court, the exercise of which "has never been held to be error." (M-Pet. 8, n.5). Mitsubishi argues that this fact somehow is in conflict with the Federal Circuit's requirement that Mitsubishi timely object to the verdict form

as a prerequisite for invoking the multiple-claims-single-verdict ground for new trial (M-Pet. 3).

Mitsubishi's premise is incorrect. The Trial Court's decisions concerning the jury form ***are*** reviewable for abuse of discretion. Consequently, as the Federal Circuit here correctly noted, "to avoid possible waiver on subsequent appeal, the objection to the form or content of special interrogatories must be made before the jury is discharged" (App. 8a) (citing 9 James Wm. Moore et al., *Moore's Federal Practice* ¶ 49.20[5] (3d ed. 1997)).

Mitsubishi relies (M-Pet. 8, n.5) on 9A Charles A. Wright & Arthur R. Miller, *Federal Practice and Procedure* § 2505, at 164-165 (2d ed. 1995), which states: "there ought never be a reversal for use or nonuse of special verdicts." With due respect to the authors of this treatise, the actual authorities contradict the notion that the Trial Court is immune from review in this regard. Indeed, in *Landes Constr. Co. v. Royal Bank of Canada*, 833 F.2d 1365 (9th Cir. 1987) the Court held that the Ninth Circuit applied the normal "abuse of discretion" standard, and specifically reviewed the Trial Court's choice of jury form under that abuse of discretion standard.

And as held in *Railroad Dynamics, Inc. v. A. Stucki Co.*, 727 F.2d 1506, 1515 (Fed. Cir. 1984) (emphasis added):

> District Courts have broad authority and discretion in controlling the conduct of a trial. That authority extends to the form by which juries return verdicts, Fed. R. Civ. P. 49, and will not be interfered with unless an ***abuse of discretion*** is shown.

Consistent with this abuse of discretion standard, Courts have repeatedly held that review of a Trial Court's choice of jury form for abuse of discretion is barred if the objecting party waives its objection by failing to properly preserve it in the Trial Court below.[10]

Just as important, the conclusion Mitsubishi would draw does not follow from its premise, even were that premise correct. Whether or not a Trial Court's choice of verdict form is reviewable for error, is not the issue. As the authorities discussed *supra* make clear, a party will not be permitted to take advantage of uncertainties in the verdict form that it could have avoided and may even have fostered. One seeking to rely upon a multiple-claims-single-verdict ground for new trial on appeal must have taken action to alert the Trial Court to the perceived problem by objecting to the form of verdict. The facts of this case and the authorities of the Circuits establish that waiver applies four-square to Mitsubishi's multiple-claims-single-verdict argument here.

Requiring a party to object to the verdict form as a prerequisite to invoking the multiple-claims-single-verdict ground for a new trial serves the very policy considerations that Mitsubishi invokes. Mitsubishi expresses concern for "the uncertainty of the basis for a general verdict" (M-Pet. 9). The rule ensures that a party will register an objection to verdict forms it perceives as flawed, allowing the Court to correct the alleged problem if necessary. Far from "inherent uncertainty" being present "regardless of

---

10. *Dixson v. Newsweek, Inc.*, 562 F.2d 626, 631 (10th Cir. 1977); *Toth v. Corning Glass Works*, 411 F.2d 912, 914 n.2 (6th Cir. 1969); *Burgess v. Premier Corp.*, 727 F.2d 826, 831 (9th Cir. 1984); *Kloepfer v. Honda Motor Co.*, 898 F.2d 1452, 1456 (10th Cir. 1990); *Geneva County Bd. of Educ. v. CNA Ins. Co.*, 874 F.2d 1491, 1497 n.6 (11th Cir. 1989).

whether an objection has been made," (M-Pet. 9), requiring objections reduces any uncertainty that might otherwise result.

Nor does the Federal Circuit's holding have any adverse impact on the statutory presumption of validity, as Mitsubishi balefully predicts (M-Pet. 9). If anything, that holding encourages parties to raise at the Trial Court level the appropriateness of jury form questions on validity.

III. THE FEDERAL CIRCUIT'S HOLDING OF WAIVER RAISES NO SEVENTH AMENDMENT CONCERNS

Despite the substantial precedent supporting the Federal Circuit's waiver holding, Mitsubishi argues that somehow the Federal Circuit has curtailed Mitsubishi's Seventh Amendment right to a trial by jury (M-Pet. 3, 10-11). The application of waiver to the circumstances here, however, is no more in derogation of Mitsubishi's rights than is the application of waiver under Rule 38, Fed. R. Civ. P., as to requests for jury trials; Rule 49, Fed. R. Civ. P., as to special verdicts; or Rule 51, Fed. R. Civ. P., as to jury instructions. As the Federal Circuit has held, the Seventh Amendment assures a party of the right to a jury ***trial***, not a jury ***verdict***. *Newell Cos. v. Kenney Mfg. Co.*, 864 F.2d 757, 763 (Fed. Cir. 1988).

For example, Fed. R. Civ. P. 38(d) provides:

> The failure of a party to serve and file a demand as required by this rule constitutes a waiver by the party of trial by jury.

This Court has upheld waiver of the right to a jury trial under this rule. *United States v. Moore*, 340 U.S. 616, 621, 71 S. Ct. 524, 527, 95 L. Ed. 2d 582 (1951).

Likewise, Rule 49(a), Fed. R. Civ. P., on which Mitsubishi relies (M-Pet. 8, n.5), provides (emphasis added):

> If . . . the court omits any issue of fact . . . each party ***waives*** the right to a trial by jury of the issue so omitted unless before the jury retires the party demands its submission to the jury.

The Circuits uniformly apply this rule, notwithstanding the Seventh Amendment right to trial by jury.[11] As held in *Anderson v. Cryovac, Inc.*, 862 F.2d 910, 918 (1st Cir. 1988) (citations omitted):

> It is well settled that a litigant who accedes to the form of a special interrogatory will not be heard to complain after the fact. If a slip has been made, the parties detrimentally affected must act expeditiously to cure it, not lie in wait and ask for another trial when matters turn out not to their liking.

---

11. *Putnam Resources v. Pateman*, 958 F.2d 448, 456-57 (1st Cir. 1992) ("In the Rule 49(a) context, a failure to object to omissions in interrogatories constitutes a waiver of jury trial on those issues."); *International Meat Traders, Inc. v. H & M Food Sys.*, 70 F.3d 836, 840-41 (5th Cir. 1995) ("By failing to challenge the jury verdict form at the appropriate time, [plaintiff] effectively has waived its right to raise the issue on appeal."); *Burgess*, 727 F.2d at 831 ("[U]nder Fed. R. Civ. P. 49(a) a party waives its right to demand submission of a special verdict question on an issue unless it objects to the failure to submit the special question before the jury retires."); *Kloepfer*, 898 F.2d at 1456.

Thus, Rule 49, far from supporting Mitsubishi, stands for the proposition that the right to jury trial, which Mitsubishi (incorrectly) says it was deprived of here, is waivable.

Furthermore, the Federal Circuit's waiver holding is consistent with Fed. R. Civ. P. 51, which provides:

> No party may assign as error the giving or the failure to give an instruction unless that party objects thereto before the jury retires to consider its verdict, stating distinctly the matter objected to and the grounds of the objection.

This Rule is in accord with long-standing precedent of this Court, that a party waives the right to appeal the manner that a Trial Court presents the issues to the jury if a timely objection is not made. *Palmer v. Hoffman*, 318 U.S. 109, 119, 63 S. Ct. 477, 483, 87 L. Ed. 645 (1943); *City of Springfield v. Kibbe*, 480 U.S. 257, 258-59, 107 S. Ct. 1114, 1115, 94 L. Ed. 2d 293 (1987). As stated in *Palmer*, 318 U.S. at 119, 63 S. Ct. at 483:

> In fairness to the trial court and the parties, objections to a charge must be sufficiently specific to bring into focus the precise nature of the alleged error.

The Circuits have uniformly held that Rule 51 is applicable to the choice and content of the jury form submitted to the jury. *Hoechst*, 78 F.3d at 1581; *Neely v. Club Med Management Servs., Inc.*, 63 F.3d 166, 200 (3d Cir. 1995); *Play Time, Inc. v. LDDS Metromedia Communications, Inc.*, 123 F.3d 23, 29 n.6 (1st Cir. 1997); *In re Innovative Constr. Sys., Inc.*, 793 F.2d 875, 882 (7th Cir. 1986).

CONCLUSION

Mitsubishi's Petition for a Writ of Certiorari should be denied. The Federal Circuit's holding that Mitsubishi waived any right to rely on a multiple-claims-single-verdict ground on appeal correctly applied well established precedent, and does not meet the strict standards that this Court applies when considering whether a Writ of Certiorari should be granted.

Respectfully submitted,

ROBERT C. MORGAN
FISH & NEAVE
1251 Avenue of the Americas
New York, New York 10020
(212) 596-9000

NORMAN H. BEAMER
Counsel of Record
KURTIS D. MACFERRIN
FISH & NEAVE
525 University Avenue
Palo Alto, California 94301
(650) 617-4000

Attorneys for Respondent

Supreme Court, U.S.
FILED
MAR 15 2000
CLERK

(3)

No. 99-1287

IN THE

Supreme Court of the United States

MITSUBISHI ELECTRIC CORPORATION,

Petitioner,

v.

AMPEX CORPORATION,

Respondent.

ON PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

REPLY BRIEF FOR PETITIONER

LES J. WEINSTEIN
Counsel of Record
MARTIN J. TRUPIANO
VINCENT J. BELUSKO
GRAHAM & JAMES LLP
Attorneys for Petitioner
801 South Figueroa Street
14th Floor
Los Angeles, CA 90017
(213) 624-2500

158473

Counsel Press LLC
(800) 274-3321 • (800) 359-6859

1400

TABLE OF CONTENTS

	Page
Table of Contents	i
Table of Cited Authorities	ii
Abbreviations	iv
Introduction	1
I. Mitsubishi Did *Not* Waive The Right To Have The General Jury Verdict Reviewed Under The *Sunkist* Standard.	2
II. Mitsubishi Did Not Invite The Use Of The General Verdict.	5
III. The District Court Did Not Find That There Was Substantial Evidence To Support Each Ground Of Invalidity Asserted By Ampex.	7
Conclusion	9

TABLE OF CITED AUTHORITIES

Page

Cases:

Arachnid, Inc. v. Medalist Marketing Corp., 972 F.2d 1300 (Fed. Cir. 1992) 2

Hoechst Celanese Corp. v. BP Chemicals, Ltd., 78 F.3d 1575 (Fed. Cir. 1996) 3

McCord v. Maguire, 873 F.2d 1271 (9th Cir. 1989) 4

Royal Typewriter Co. v. Xerographic Supplies Corp., 719 F.2d 1092 (11th Cir. 1983) 4, 5

Shatterproof Glass Corp. v. Libbey-Owens Ford Co., 758 F.2d 613 (Fed. Cir. 1985) 2

Sunkist Growers, Inc. v. Winckler & Smith Citrus Products Co., 370 U.S. 19, 82 S. Ct. 1130, 8 L. Ed. 2d 312 (1962) 1, 2, 3, 4, 5, 9

Weinar v. Rollform Inc., 744 F.2d 797 (Fed. Cir. 1984) 3, 4

United States Constitution:

Seventh Amendment 2, 9

Rule:

Rule 49, Federal Rules of Civil Procedure 2

Cited Authorities

Page

Other Authority:

9 Wright & Miller, *Federal Practice & Procedure: Civil*, § 2505 (1995) 2

ABBREVIATIONS

xx:xx	Italicized numbers refer to pages of the trial transcript
A.	Refers to Joint Appendix from appeal to the Federal Circuit Court of Appeals
AB	Refers to Ampex's opposing brief
App.	Refers to the Appendix to Mitsubishi's opening brief

INTRODUCTION

Respondent, Ampex, attempts to obfuscate the merits of this petition by raising matters not germane to the issue before the Court by arguing that Petitioner, Mitsubishi, invited the error by allegedly submitting the general verdict form[1] or waived the right to review under the *Sunkist* rule by otherwise failing to object to the general verdict form. However, the issue to be decided does not depend upon which party proposed the general verdict form, or whether Mitsubishi objected to the form. For the purposes of this petition, it is irrelevant which party submitted the form, and Mitsubishi repeats its position that there was no error in the form of the verdict as a general verdict form.

Ampex's argument that Mitsubishi waived the *Sunkist* rule by "failing" to object to the verdict form begs the question. The issue created by the Federal Circuit's decision is whether *any* objection is needed to preserve the right to review on appeal using the *Sunkist* multiple-claims general verdict standard that requires the reversal of a general verdict if any one of the claims or defenses was submitted to the jury in error or was not supported by substantial evidence. *None* of the cases relied upon by Ampex requires an objection to obtain such a review on appeal.

Because the Federal Circuit held, for the first time, that a party is not entitled to review of the jury's general invalidity verdict under *Sunkist* because it had not objected to the form

---

1. Contrary to Ampex's assertion in footnote 6 of its brief, while the trial court may have instructed the jury that they were being given a special verdict, the particular questions regarding invalidity were in the form of a general verdict because they did not address each of the separate alleged grounds for invalidity.

of the verdict, it denied Mitsubishi its Seventh Amendment right to a jury trial. Mitsubishi respectfully submits that the grant of a writ of certiorari on this significant issue is warranted in this matter.

I.

MITSUBISHI DID *NOT* WAIVE THE RIGHT TO HAVE THE GENERAL JURY VERDICT REVIEWED UNDER THE *SUNKIST* STANDARD.

Contrary to Ampex's position, Mitsubishi properly preserved its right to have the general verdict reviewed on appeal by asserting in a motion for new trial the lack of substantial evidence supporting the alleged grounds for invalidity. *Arachnid, Inc. v. Medalist Marketing Corp.*, 972 F.2d 1300, 1303 (Fed. Cir. 1992).[2]

Second, Mitsubishi did not waive its right to have the general verdict reviewed under the *Sunkist* standard by failing to interpose an objection to the form of the verdict. Prior to the Federal Circuit's decision in this case, no reported decision has held that an objection must be made to the form of the verdict to preserve the right of review using the *Sunkist* standard. 9 Wright & Miller, *Federal Practice & Procedure: Civil*, § 2505 (1995) ("there ought never be a reversal for use or nonuse of special verdicts"). This is the precise underpinning of *Sunkist*.

---

2. Mitsubishi did not object to the form of the verdict because the Federal Circuit's precedent which established that the trial court's choice of the *type* of verdict form to give to the jury under Rule 49 cannot constitute error. *Shatterproof Glass Corp. v. Libbey-Owens Ford Co.*, 758 F.2d 613, 627 (Fed. Cir. 1985).

Ampex cites two Federal Circuit cases that it argues supports its position that a party must object to the form of a verdict as a prerequisite to invoking the multiple-claims-single-verdict ground for review and a new trial. (AB 10) Neither is apposite. In *Hoechst Celanese Corp. v. BP Chemicals, Ltd.*, 78 F.3d 1575, 1581 (Fed. Cir. 1996), the Federal Circuit held that a party waives review of an alleged error in a verdict form where the party proposed the form used by the court. In that case, a party which belatedly objected to the general verdict form on the ground that patent infringement under the doctrine of equivalents was an "inapplicable theory" was held to have waived any objection to the verdict form. By comparison, Mitsubishi does not contend that any defenses were improperly submitted to the jury, but rather that there was insufficient evidence to support one or more of them — a traditional ground for automatic reversal of a general verdict involving multiple claims. Indeed, even as it held that a waiver existed, the *Hoechst* court nonetheless reviewed whether substantial evidence existed for both literal infringement and infringement under the doctrine of equivalents and found that the verdict was properly supported by the evidence on both claims. 78 F.3d at 1582.[3]

Ampex also relies upon *Weinar v. Rollform Inc.*, 744 F.2d 797, 803 (Fed. Cir. 1984) to support the Federal Circuit's decision that Mitsubishi's failure to object to the

---

3. Notably, in *Hoechst*, the court rejected an attack upon the general verdict based upon a lack of sufficient evidence because the defendant failed to raise the issue by motion for directed verdict. The court made no reference to a requirement that an objection to the verdict form was a prerequisite to such an attack on appeal, impliedly recognizing that an objection to the form of a verdict is not a precondition to review under the *Sunkist rule*.

form of the verdict constitutes a waiver of such objections. In *Weinar*, the plaintiff objected to the use of fact interrogatories — not a special verdict form — but then sought on appeal to attack the finding of invalidity on the absence of factual findings reflecting the basis for the jury's verdict. Finding that the plaintiff had waived its right to object to the absence of fact interrogatories, *Weinar* followed the general rule that if any one of several *factual* theories supports a *single* claim or defense, the verdict will be upheld. *Weinar* simply does not address or hold that the failure to object to the form of the verdict results in a waiver of the *Sunkist* rule.

Ampex further relies upon the Ninth Circuit's decision in *McCord v. Maguire*, 873 F.2d 1271, 1273-74 (9th Cir. 1989), which concerned a *single* theory of liability which could have been supported by any one of various fact patterns. This is a different issue than that presented by a general verdict based on *multiple* underlying legal theories of liability, and a significant distinction which was underscored by the court. 873 F.2d at 1273-74. Ampex simply mischaracterizes the procedural posture as involving "different theories of liability" — only different conduct supporting a single legal claim (negligence) was involved — and then proceeds to misapply the holdings of the decision as though it pertained to a multiple-claim general verdict. *McCord* does not apply.

Contrary to Ampex's effort to mischaracterize *Royal Typewriter Co. v. Xerographic Supplies Corp.*, 719 F.2d 1092, 1099 n.1 (11th Cir. 1983) (AB 14-15), that case held that a party cannot waive review under the *Sunkist* rule. In *Royal Typewriter*, the trial court rejected as too complex a special verdict form proposed by the plaintiff and submitted

the case on a general verdict form. After the jury returned a verdict for the defendant, the plaintiff appealed on the basis, *inter alia*, that erroneous theories of liability and damages had been submitted to the jury. The court of appeals' opinion does not reflect that the plaintiff objected to the verdict form nor is there any indication that there was any need to do so. The defendant, seeking to uphold the favorable jury award, argued that the plaintiff had "waived its protection under this court's rule regarding appellate review of general verdicts by requesting special interrogatories that were 'utterly lengthy, confusing and complex.' " *Id.* Rejecting that waiver argument, the court held that "[t]he burden of supporting the general verdict in a case containing multiple issues rests on the [defendant]." *Id.* Thus, the *Royal Typewriter* court made clear that a party cannot waive the right to review using the *Sunkist* rule because the burden is not on the losing party to avoid a waiver, but on the prevailing party to defend the general verdict.

II.

MITSUBISHI DID NOT INVITE THE USE OF THE GENERAL VERDICT.

In an unfounded effort to disqualify Mitsubishi from its entitlement to a review of the general verdict using the *Sunkist* standard, Ampex argues that Mitsubishi waived that right by submitting the general verdict form used by the court. (AB 7-10) As discussed above, the source of the general verdict form, as a threshold matter, is not relevant to this appeal. Whether a party is entitled to review of a multiple-claim-general verdict under the *Sunkist* rule is not dependent upon which party submitted the form, but is an independent right stemming from the ambiguity inherent in the use of a

general verdict form when multiple claims or defenses are involved.

Moreover, this argument is factually unsupportable in any event. Mitsubishi submitted a special verdict on invalidity that itemized every defense except indefiniteness, which it asserted was an issue of law for the court. (A7996; A8000; A470; *78:12-16*) Following closing arguments, the trial court asked the parties to modify the verdict forms so as to not "overload [the jury] with fact finding." (A489; *152:5-6*) When counsel for Mitsubishi asked whether this meant a general verdict on the validity issues was desired, the trial court responded affirmatively. The exchange between the trail court and the parties went as follows:

> *The Court*: Do you agree that each claim should be the subject of a finding by the jury?
>
> *Ampex's Counsel*: I'm not sure that's necessary. Certainly not validity. . . .
>
> *The Court*: I have never seen one like this submitted on each claim. I think we should have a special verdict on the issue of literal infringement, a special verdict on the issue of equivalent infringement. And those should be alternative. Then we should have a, you know.
>
> I know it's not recommended but there was a time when we would give them a general verdict, if you find for the plaintiff or the defendant. I know that the Circuit does not like that. They like findings but I don't know that they like them to this extent.

> *Mitsubishi's Counsel*: Your honor, would it be then to the extent do you find any of the claims infringed? If so, do you find any such infringed claims not invalid? That would be it.
>
> *The Court*: Most of these are fine. If they could be done that way. The willful infringement question appears to be appropriate. And the, there's one for each patent.
>
> *The validity, here again we're talking about claims. And I think that maybe validity of the patent. Same way we handle the others will be sufficient.*

(A489; *153:15-154:1-14* (emphasis added)) This was also clearly *Ampex's* interpretation of this discussion as it, like Mitsubishi, submitted a verdict form that included a general verdict on the validity issues. (A12828-33)

III.

THE DISTRICT COURT DID NOT FIND THAT THERE WAS SUBSTANTIAL EVIDENCE TO SUPPORT EACH GROUND OF INVALIDITY ASSERTED BY AMPEX.

In an alternative argument, Ampex mistakenly argues that the Federal Circuit's decision should be upheld because it found that "all grounds for invalidity were supported," relying upon two out-of-context quotations from the Court's opinion. (AB 5, 6 & n.5) However, Ampex's argument is based upon a clear misreading of the opinion. The section upon which Ampex bases its argument concerned the Federal

Circuit's review of the finding of invalidity of the *'612* patent, a finding which is not at issue in this petition. (App. 7a-9a) Mitsubishi's petition only involves the Federal Circuit's review of the general verdict of invalidity of its '533 patent. A careful reading of the Federal Circuit's opinion reveals that its conclusions regarding the adequacy of the evidence to support the jury's finding of invalidity — liberally quoted by Ampex — applied only to the '612 patent, and had nothing to do with the finding of invalidity of the '533 patent here at issue. While the court reviewed each of the three asserted grounds for invalidity of the '612 patent, it reviewed only one of the three separate and different grounds for invalidity of the '533 patent. *Compare* App. 6a-10a *with* App. 18a-29a.

CONCLUSION

Because the Federal Circuit's decision failed to apply the established *Sunkist* standard for review of multiple-claim-single-verdicts, and thereby deprived Mitsubishi of its Seventh Amendment right to a jury trial, the petition for a writ of certiorari should be granted.

Respectfully submitted,

LES J. WEINSTEIN
Counsel of Record
MARTIN J. TRUPIANO
VINCENT J. BELUSKO
GRAHAM & JAMES LLP
Attorneys for Petitioner
801 South Figueroa Street
14th Floor
Los Angeles, CA 90017
(213) 624-2500